The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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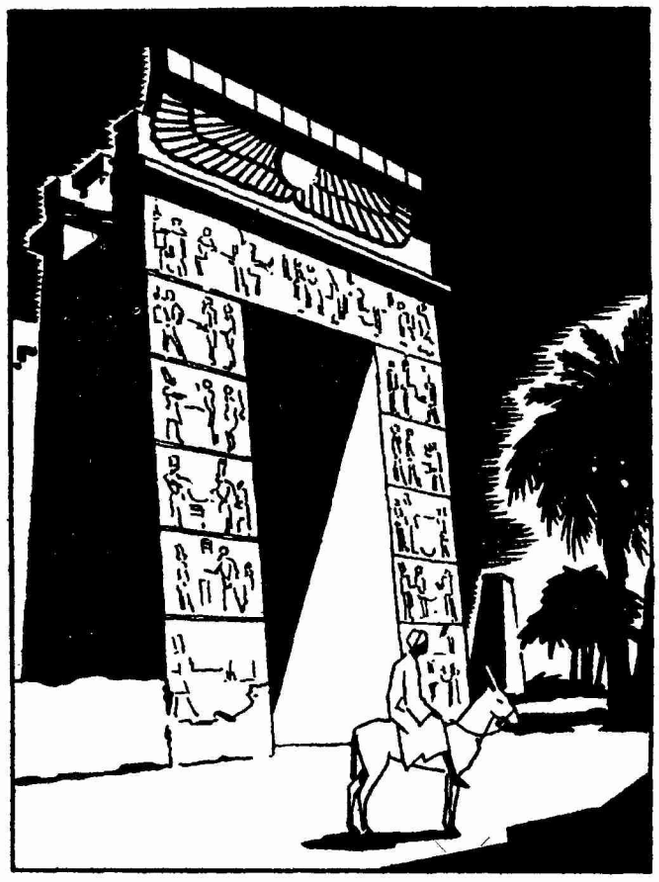

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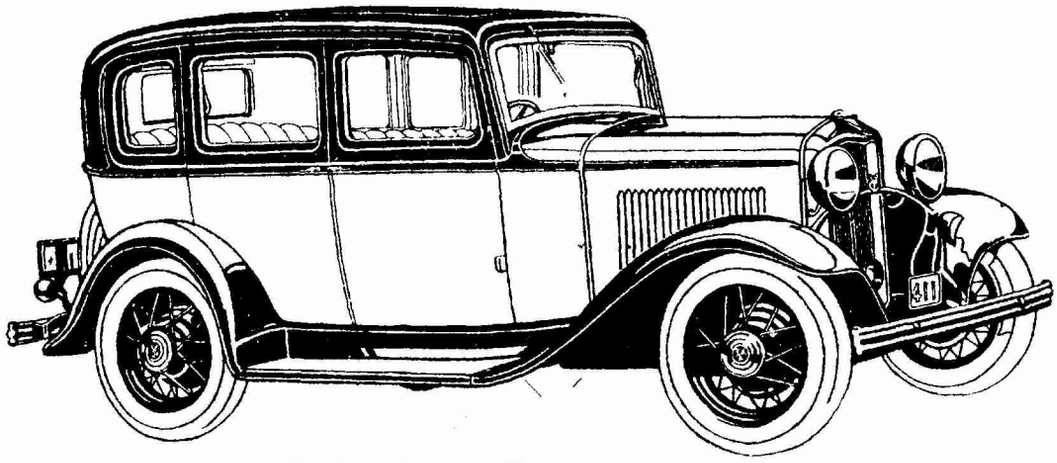

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The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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WASHINGTON OFFICE
J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

"A 'FISSIPAROUS' MOVEMENT"

THE significance of the most important word in the speech on Manchuria delivered by Count Uchida, the Premier of Japan, last week, was probably lost on many readers because they did not take the trouble to look up its meaning in the dictionary. Count Uchida said:

> "The independence of Manchuria . . . . . should be regarded as the consequence of a fissiparous movement in China."

According to Webster's International Dictionary "fissiparous" means reproduction by fission, and "fission" is a term in biology meaning the reproduction by spontaneous division of the body into two parts, each of which grows into a complete organism. So there you have it. Manchukuo just happened, in the same way that Topsy just growed. The Japanese Army hadn't anything to do with it, and if you think anything else you don't understand the "realities of the situation." However, as for that, the Japanese nation isn't going to take any chance on those two fissiparous parts coalescing again and therefore absolutely objects to any plan which would invest China Proper in any form whatever with authority over Manchuria.

It will thus be seen that the word "fissiparous" is the very basis of the whole Japanese contention. The whole world knows that the Japanese contention that the Manchurian independence movement was a spontaneous act of the Chinese residents of Manchuria is a fairy tale, the truth being that the Japanese army by force deposed the legal rulers of the country and set up puppets to do their bidding and who would not be able to continue in office for a day if the supporting Japanese troops should be withdrawn. But despite the fact that the so-called Manchurian republic (to use a slang expression) is a "put up job," their are undoubtedly highly placed individuals and also prominent nations that will pretend to take Japanese statements on this subject at their face value, not because they believe them, but because to deny them would create an awkward situation, if not something worse. The whole world is of course waiting for the League Commission's report. Even the American Government has decided to take a non-committal attitude on Count Uchida's speech until the report of the Lytton Commission is made public. If the Lyt-

ton Commission, or the League of Nations, should pretend, following the Japanese intimation, that the Manchurian independence movement is "fissiparous," then Manchuria's goose is cooked, and there will not be much for anybody to say about it. But if Japanese pretensions on this point are exposed for the sham that they are, then there still remains the question of how to deal with the Japanese taunt, "Well, what are you going to do about it?"

"JAPAN PAYING FOR EDUCATION OF CHINESE"

IT frequently happens that American correspondents, representing large newspapers at home, with their penchant for scenting news where the local reporters have no inkling that it exists, send out messages covering matters of importance which people in this part of the world know nothing about until the American mails arrive. Such an example is to be seen in the message reprinted below sent out from Tokyo on August 1, by Junius B. Wood, special correspondent of the *Chicago Daily News*, at the time when the question of whether China would or would not continue to remit the Boxer indemnity payments to Japan was to the fore. There are a few little points that may not be quite clear, but at any rate here is the message:

PROBABLY WILL HAVE NO TIME TO CONSULT POWERS IS REPLY TO QUERY

BY JUNIUS B. WOOD

(Reprinted from the Chicago Daily News)

Tokyo, Japan, August 1.—An unqualified threat of a naval demonstration and seizure of the customs administrations at Tientsin, Tsingtao and other Chinese ports was voiced by the Japanese foreign office today following a newspaper report from London that China proposes to discontinue payments on Japan's share of the boxer indemnity.

This threat of renewed military operations in China is another step in the customs imbroglio following Manchoukuo's forcible seizure of the Chinese maritime customs in its territory.

"Will other powers be consulted in an effort to adjust the situation prior to possible naval operations?" this correspondent asked a foreign office spokesman.

"There was no time to consult the other powers before the Japanese operations in Manchuria and in Shanghai, so possibly there will not be time to consult them if the Chinese break the customs treaty," he replied.

"We have been using the Japanese saying 'Japan is no longer showing its white teeth toward China' since last September," explained the spokesman. (Showing the teeth is a Japanese sign of courtesy, not of hostility, as in the western world.)

"Japan has been reasonable toward China in the Manchoukuo customs situation," he continued. "Manchoukuo is already remitting its share of customs to Nanking and Japan will not tolerate any retaliation such as withholding its share of the Boxer indemnity.

"The United States set a bad example by permitting China to use the American share in the Boxer indemnity for educational purposes. Other countries followed the example and Japan, which paid the heaviest for the Boxer troubles, has been educating the Chinese."

We reprint the message above not so much because of its reference to the Customs remittances from Manchuria (as a matter of fact the statement made by the Japanese spokesman that Manchukuo is already remitting its share of customs to Nanking is not correct, *vide* statement by Inspector General Maze, published in *The Review*, page 391, August 13 last) but for the purpose of pointing out the extreme irritation felt by Japan concerning America's policy in general. Even America's decision to use the returned Boxer indemnity for educating Chinese is resented by the Japanese. The way the Japanese figure it out is that the Japanese "paid the heaviest" for the Boxer troubles, and as a result of America remitting its share of the Boxer indemnity and using it for educational purposes (for Chinese), Japan is paying for having the Chinese educated. An educated China is undoubtedly the thing that Japan fears most, and something that she will have to reckon within in the not distant future. In the meantime Japan is doing its utmost to have the Chinese in Manchuria educated after her own pattern. Large numbers of Chinese students and intellectuals generally have fled from that region in order to escape the kind of education that the Japanese would inflict upon them.

CIVIL WARS IN CHINA---A MOVE TO STOP THEM

THE Anti Civil War Association Alliance was inaugurated in Shanghai August 27 when upwards of 500 leaders of the country met at the Chinese Chamber of Commerce. Presiding at the inaugural session were Messrs. Wong Hsiao-lai, Woo Ting-chong, Lu Quen-yuen, Ling Kong-hou, Lui Kai-eng, Chen Shih and Miss Yang Mai-tsung. The building was gaily decorated, and the walls were adorned with slogans and mottoes contributed by the participating groups. Following the meeting at the Chamber of Commerce in the morning, another meeting was held at the Bankers' Association in the afternoon. At the morning session a declaration was issued urging government leaders to forget their personal rancors and to pledge themselves to carry forward the progress of the nation. At the afternoon session a set of byelaws was formulated to guide a committee of twelve which was appointed to plan for future work.

Ling Kong-hou, secretary of the Bankers' Association, in a neat speech, reported to the assemblage that the meeting was the result of 14 preliminary sessions. These were held under the auspices of the association. It is composed now, he said, of 401 organizations throughout the country as well as claiming a membership of 1,057 prominent, unaffiliated individuals. Of these, representatives from 355 organizations were present as well as 77 leaders.

An address was also made by Woo Ting-chong on the subject, "The Object of the Alliance," in which he explained that the harm done in China since the establishment of the Republican Government must be wiped away.

The Anti-Civil War Association is the outcome of efforts by four powerful local groups: the Chinese Chamber of Commerce, the Shanghai Chinese Bankers' Association, the Chinese Native Bankers Association and the National Federation of Chambers of Commerce. The League's membership represents almost all the provinces in China; also the oversea Chinese organizations in the Straits Settlements and other places over the

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world. A check of the membership list revealed that 72 chambers of commerce, 10 bankers, nine native bankers' associations, 104 guilds, 11 women's organizations, 11 native guilds, 50 scientist organizations and 42 labor unions already have so far enlisted.

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Such a movement as that sponsored by the newly born Anti-Civil War Association deserves the support of all well-wishers of China, where unhappily some form of civil war has been going on almost uninterruptedly ever since the Manchus were deposed in 1911. The very holding of such meetings will help to create a peace complex. In this connection, however, it is *apropos* to point out that it will take much more than the forming of such Associations and the holding of such meetings to bring about peace in China. Unfortunately the influence of such a meeting held in Shanghai will not spread very far into the interior of China. Nor is it a fact that the chaos in the interior of the country is to be laid at the door entirely of self-seeking militarists. The trouble goes much deeper than that. It has been a case here in China, to use the Biblical expression, of putting new wine into old bottles, and the result has been a series of explosions. There has been a tendency on the part of many leaders of China who really know better to spread the idea that China's troubles have come entirely from without, whereas the truth is that to a considerable degree they are to be traced to internal defects. Undoubtedly it is true, as frequently alleged, that Japanese intrigues have much to do with the disturbances that have occurred in various parts of China, but there is a tendency to overestimate their influence. The phrase frequently used is: "Fishing in troubled waters." However, it should be borne in mind that these words connote that the Japanese do their fishing *because* of the troubled waters, not that their fishing *causes* them. The Manchurian invasion, for example, which is the worst blow from without that China has ever experienced, could not have occurred and never would have been attempted by the Japanese, if the internal situation in China were on a solid basis. China is a very large country and it is necessarily a slow process to bring about a unified public opinion. The principal problem for the great mass of Chinese, as it is in most countries, but more so in China, is to get something to eat, not an abundance, but the very barest minimum to keep body and soul together. Never in the history of China has this fact been so evident as at this very moment. The existence of banditry is due almost entirely to the fact that many millions would starve to death unless they adopted as they have done, the law of the jungle, and proceeded to get food where they can find it. The official telegrams regularly speak of this or that area of the country having been rid of bandits or of Communists by this or that branch of the National Army. But in truth the general suppression of banditry is not being accomplished and leading Chinese publicists will tell you, not for publication as coming from them but in confidence, that in the very nature of things banditry will continue for many years to come and that no amount of military operations could subdue these people, who in the last analysis, generally speaking, want nothing except a little to eat. Naturally enough, when the old respect for law and order vanishes, many injustices occur. It is made painfully evident by many examples that a certain proportion of the bandits are cruel, dishonest, avaricious and predatory. But it is fair to assume that nine-tenths of them would cease to be bandits if any sort of decent way of making a living were offered to them. With the existence of banditry as an excuse, a huge army is being maintained in all parts of China, and it would be a miracle of human nature if the various sections of the country did not hold on to their local units in desperation, for fear that something worse may befall them. The only real momentum that any Anti-War Association can impart towards stopping civil war is to give the hungry millions of China some chance of earning a livelihood by honest means. With all due respect to China's educational movement it is the opinion of persons whose opinion is entitled to respect that too much emphasis is placed on political matters and not enough on the practical affairs of everyday life. There are thousands of Chinese youths here Shanghai and in other parts of China who can recite to you the history of China's humiliations, who know all about China's sovereign rights, the unequal treaties, Sun Yat-sen's will, and many things of a similar nature, but will be stumped if you ask them at what time of the year the rice harvest takes place in their neighborhood, or if you ask them scores of other questions concerning matters which are of similar practical importance to them. Without in any way losing sight of the fact that the future of China and its regeneration lies largely in the hands of its youth, and according full acknowledgment to the value of their patriotism, it should nevertheless be brought home to them that it is not alone through the realm of politics, but mainly through the path of economics, that a happier future is to be brought about for this distracted country. Such organizations as the Anti-Civil War Association can do much to pave the path to peace, and it will help a great deal if they will lead the youth of the country into thinking along the line of economics as well as of politics.

G. W. M.

French Aid for Japan Charged by Manchester "Guardian"

The Manchester *Guardian*, in an editorial on August 27 suggested that the French press, or a large section of it, is supporting Japan in the aggressive policy in the Far East.

The *Guardian* declares that the attitude of the French press towards the Manchurian situation is, to say the least of it, surprising, especially considering that the tendency of French policy since the close of the Great War has been to support the League of Nations. How the change has come about, the journal goes on, is unknown but there are rumors of secret agreements by which France has agreed to support the Japanese point of view at the sessions of the League in return for Japanese support at the Disarmament Conference. It is also beyond question, the *Guardian* continues, that the Chinese-Japanese dispute gave a great impetus to the French armament industry, which has considerable newspaper interests.

"Be that as it may, a large section of the French press continues to speak with the voice of Tokyo," says the *Guardian*.

THE COLLAPSE OF THE YEN---WORTH LESS THAN HALF PAR

THE yen is now approximately on a par with the Mexican dollar. By the time this appears in print it may be lower. While the Japanese military and their civilian mouth pieces are talking grandiloquently of their future, and their troops are endeavoring to bring Manchuria into complete subjection and extend their power into Jehol, the yen has continued to fall. It is now worth less than half of its par exchange value. Its par rate is a little less than fifty cents gold. Today it is in the neighborhood of twenty-two or twenty-three cents gold.

A part of the decline is due to Japan's "going off gold" last year. But this does not account for the major portion. Even since the abandonment of "gold" the yen has stood frequently above forty cents gold. That it has declined nearly one-half even from this is the gravest of symptoms. No military saber-rattling and diplomatic eloquence can cover up this sure indication of financial collapse.

It is both the internal and external situation which has caused this. Fundamentally, however, the position is that Japan has been living beyond her means. In time of peace she increased her military establishment, laying heavier and heavier burdens upon the people. Now, with the military adventures of the last year, the army needs even more money. But the country has been sucked dry. The government, with the best of good will towards the militarists, does not dare to go further, declaring flatly that those who advocate any heavier taxation must be working for Bolshevism. There is no surplus left.

Perhaps Japan is not yet altogether bankrupt. But the fall of the yen is sure to carry with it most serious consequences in the coming year. Each year Japan imports far more than she exports. This means that for her imports in the year to come she will have to pay twice as much (in the depreciated yen) as she did last year. She cannot double the price of her exports, as to do so would mean sacrificing the one gain achieved by the devaluation of the yen. Far the time being, this decline helps her export trade by making it possible to sell her goods abroad at much lower prices. But what will it mean with imports?

Japan's biggest import is cotton, on which her cotton textile industry depends. This, making up more than one-fourth of her total imports, is almost wholly from the United States, British India, and China. In the depreciated yen she will have to pay twice as much for the material from America and China, and fifty or sixty per cent more for that from British India. For the foodstuffs she needs to feed her people—rice from Siam and French Indo-China, wheat from the United States, Canada, and Australia she will have to pay almost double. For iron, steel, and machinery, and the munitions needed by the military gentlemen, she will be faced with almost the same situation. There is not the slightest likelihood of this being balanced in any way by increased exports. In all probability the coming year will show a negative trade balance of three or four hundred million yen, three or four times the usual deficit. For the things which Japan imports are such as she cannot possibly do without. They are necessary to her very existence—with the exception of munitions, and these are very necessary to the gentlemen who are running things in Japan and Manchuria.

Thirty-five years ago Japan went on the gold standard by means of an enormous indemnity extorted from China. Today, a year after starting her occupation of China's three eastern provinces, she is off the gold standard and her money is rapidly becoming worth less than Chinese. Some might discern a poetic justice in the situation. But justice is, as usual, foiled by the fact that the people who are suffering, and who will suffer, are not the bureaucrats and the military gentlemen who are responsible for the whole business. But it will be interesting to see how long they can survive when economic and financial collapse utterly discredits them and their policy and drives their subjects to desperate measures.

JAPANESE MILITARY PREPARATIONS PROCEED APACE

COUNT Uchida, Japanese Minister of Foreign Affairs, replying to various questions put to him in the House of Representatives at Tokyo August 30 said that regardless of what opinion the League of Nations may give on Manchuria and even if the whole world blames the Japanese government, it is firmly determined to push through its fixed policy. Japan would, he said, be prepared in such event to "resort to the last measure" which simply means that Japan intends to withdraw from the League of Natfons if the League decision should go against Japan. He added that the Japanese Government had no intention of making a protest to the United States because it was keeping its main fleet in the Pacific. Incidentally it was brought out in the course of the interpellations that the Japanese Navy is studying the possibility of establishing a naval base at Port Arthur for the defence of the Manchurian coast.

Miles W. Vaughan, *United Press* correspondent, in a recent message from Tokyo pointed out that many Japanese factories are working overtime filling military orders and that large quantities of ammuntion have recently been received from Europe and the United States. Huge imports of motor trucks and chemicals are also piling up at Dairen. Foreign military observers in Japan are described as studying the situation very carefully, trying to figure out whether Japan intends to engage in warlike operations either against Soviet Russia or against the Far Eastern possessions of the United States in the near future. The general consensus seems to be however that what Japan is really preparing for is extended military operations in Manchuria and Jehol with the hope of putting an end to guerrilla warfare on the part of Chinese Volunteers, whose almost daily activities during the summer have caused the Japanese not only great material losses but also more casualties than they probably like to admit. The Chinese Volunteers by hiding in the kaoliang and other vegetation during the growing season have had a distinct advantage, as they could move above without detection and it is believed that the Japanese will begin extensive operations in Manchuria as soon as the harvest

season is over. The principal weapon the Japanese have is aerial bombing and bombing operations will naturally be much more effective in bare country.

An example of how the kaoliang helps the Chinese Volunteers was once more given in a *Rengo* telegram from Mukden, August 31, reporting sporadic activities at different places in South Manchuria. Shortly after midnight a freight train on the main line of the South Manchuria Railway was attacked by a party of 'bandits' between Fengshui and Tashan stations, derailing the train and overturning many of the cars. The Japanese guard on the train replied to the volunteers' fire and succeeded in driving them off. Trains on the line were delayed from 9 to 22 hours by the indident. A party of Chinese volunteers also appeared at Penchihu at dawn the same morning, setting fire to the Chinese town. Some 40 Japanese policemen rushed to the scene from Mukden to help in driving them off.

CHINESE VOLUNTEERS RAID MUKDEN, DESTROY JAPANESE PLANES

CHINESE Volunteers in the Mukden area demonstrated very decidedly that the arrival of the renowned General Muto to take charge of both civil and military affairs in Manchuria was not going to scare them a bit. General Muto's arrival at Mukden on August 26 was celebrated by the Japanese community and the Chinese puppets by a great deal of flag waving and shouting, but the Volunteers decided to give the General a different kind of a reception. Evidently having planned their attacks most carefully, the Volunteers on the night of August 27 and continuing until dawn in the following morning, carried out attacks on Mukden at several different points.

The attackers caused fires both at the Japanese air base wireless station and at the arsenal. The Japanese were compelled to call out all available troops, gendarmes and police, in addition to tanks, in order to drive off the determined attacks of the Chinese. The attacks were made within 36 hours of the arrival in Mukden of General Muto to assume command of the Japanese forces in Manchuria. The Japanese authorities assert that some of the Chinese police of Mukden joined the raiders and participated in the attack and they also allege that the Chinese chief of police in Mukden had recently been communicating with Marshal Chang Hsueh-liang and that the latter helped to plan the raids.

An official despatch from Manchukuo to the Japanese war office stated that the raiders were repulsed before daylight. It declares that the arsenal and the radio station were not damaged, though it admits that an isolated hangar was set on fire and that this resulted in the destruction of some of the airplanes that were captured nearly a year ago from Marshal Chang Hsueh-liang at the time the outbreak in Manchuria began.

The names of the leaders in the Mukden raids are given in the Chinese papers in Peiping as Lieutenant Tang Yu-chen, Lieutenant Li Lin-ko and General Tang Chu-wu, commandant of the anti-Japanese National Salvation Volunteer Army, third military area.

The Japanese got another surprise during the week at Chinchow, details of which were given in a *Reuter* telegram from Peiping August 30. The Volunteers accomplished very little, but with a little more luck would have succeeded in destroying the power house. According to the Chinese papers at Nanking, the National Government is on the point of ordering a punitive expedition against Manchukuo shortly, contingent upon Japan extending recognition to the new State. A statement published by the Tokyo War Office August 30 shows that the Japanese military casualties in Manchuria now total over 2,000. The announcement says that the total casualties sustained by the Japanese troops in Manchuria "during the expedition against bandits and other lawless elements" so far amount to 750 killed and 1,681 wounded. It will be noted that the proportion of killed to wounded is exceptionally high.

The chronicling of raids by the Chinese Volunteers—or "bandits" and "marauders" as the Japanese always term them—has become a matter of almost monotonous routine, hardly a day going by that raids are not made with more or less success either on the South Manchuria railway or on other strategic points held by the Japanese. Brief details of a few of the more outstanding recent events of this kind are given below.

The 4th Routh Army of the Chinese Volunteers under Keng Chi-chou, totaling 5,000, clashed with 3,000 Japanese soldiers at Chinsi, western Liaoning, August 26. After 24 hours of bitter fighting, the puppet Manchukuo police in the city revolted against the Japanese and joined in attacking them. The city was taken by the Volunteers after forcing the Japanese to retreat southwards.

One Japanese troop train loaded heavily with military supplies was blown up on the night of August 24 by mines laid by the Volunteers at Ihsien station. One coach and one locomotive were destroyed and nine Japanese soldiers killed. Several sections of the railway tracks were destroyed. Traffic on the Chinchow-Chaoyang branch railway was suspended.

Owing to large-scale destruction of the tracks, traffic on the Shenyang (Mukden)-Hailun Railway has been suspended. Volunteers are still active at Chingyuan, Shanchengchen and Shwangtungshan along the Railway.

Japanese Make Air Bombing Raids in Jehol

A message from Major-General Tsui Hsinwu, Commander of the Jehol Cavalry Brigade, stationed at Kailu, eastern Jehol, reports that four Japanese airplanes conducted an aerial raid on the northern outskirts of the city of Kailu August 25. More than 30 incendiary bombs were dropped and machine-gun shots were showered down on the people, causing heavy loss of lives and property.

According to a traveller who returned recently from Chengte, provincial capital of Jehol, three Japanese airplanes dropped more than 10 bombs on the Chinese barracks at Nanling and Koupeiyingtse August 21. Machine-gun shots were discharged from the planes. Two days later, three airplanes dropped 16 bombs on Kailu, in the northern outskirts of the city. Several houses were ruined. On August 24, a Japanese airplane scouted over Lingyuan, southern Jehol, and then dropped bombs at Lamatung on the Jehol-Liaoning border. The planes later made a 10-minute reconnaissance over Chaoyang without dropping bombs. Three companies of Japanese soldiers are detailed at Chaoyangshih (temple), Ishien and Poyingtse.

General Tang Yu-lin Alleged to Have Sold Out to Japanese

A secret treaty alleged to have been reached between the Japanese military and General Tang Yu-lin, chairman of Jehol, under which the latter is charged to have sold out the sovereign rights of Jehol to Japan was revealed several days ago by representatives of the Chinese volunteers in Jehol who recently arrived in Canton. During an interview with a *Shun Shih* representative the representatives of Chinese volunteers unanimously charged General Tang Yu-lin with pro-Japanese behavior. The chairman of Jehol, they declared, not only failed to resist but actual-

ly aided the Japanese military in their invasion of Jehol, adding that had it not been for the desperate resistance put up by Chinese volunteers, Jehol would have fallen into Japanese hands long ago. General Tang, they said, recently signed a treaty with the Japanese military which provided for stationing of troops by Japan in all important parts of Jehol for the suppression of the Chinese volunteers, invitation of Japanese advisors from the Japanese Kwantung Government for various hsien governments of Jehol and the taking-over by Japanese of the coal mines at Peipiao in Jehol. Subservient to the Japanese military, they continued, General Tang has arrested all young men who attempted to join the Chinese volunteers in resisting Japanese aggressions.

General Muto on Arriving in Mukden Recalls Sino-Japanese War

General Nobuyoshi Muto, Japan's Ambassador Plenipotentiary and concurrently Commander-in-Chief of the Kwantung Army and Governor of Kwantung Leased Territory, arrived at Mukden August 26. The general was accompanied by a party of his staff officers and a suite of civilian officials. A large congregation of Japanese and Manchukuo officials as well as representative Japanese and Manchurian citizens were at the station to welcome General Muto and his party.

Rengo says the entire town of Mukden was bedecked with Japanese and Manchukuo flags and pennants to welcome the arrival of the new Commander of the Japanese forces, while the route along which General Muto and his party drove to the Headquarters of the Kwantung Army, were lined up with Japanese and Manchu students and crowded with people eager to catch a glimpse of the veteran Japanese general.

Interviewed by the press representatives on his arrival in Mukden, General Muto among other things said:

"Manchuria is not new to me. On the contrary, since the Sino-Japanese War of 1894-95, in which I took part as a young lieutenant, I made visits to Manchuria on a number of occasions. Indeed, the very scenes which I had passed through this morning are the very spots where many of my subordinates spilled their precious blood during the Russo-Japanese War."

General Muto to Call on President Pu Yi

General Muto, who recently assumed the office of Commander-in-Chief of the Japanese army in Manchuria and concurrently Ambassador Plenipotentiary to Manchukuo, was due to proceed to Changchun, the "new capital" of Manchukuo. end of this week to pay an official call on Henry Pu Yi, Chief Executive of Manchuria.

Large-Scale Reorganization of Japanese Officialdom Is Expected

A thorough-going reorganization of the Japanese government service, both civil and military, in Manchuria is expected to be made shortly in view of the arrival of General Muto. In this connection, it is reported that General Muto is contemplating the removal of the seat of the new office of Japanese Embassy to Manchuria and of the headquarters of the Kwantung Army to Mukden. New buildings to be used for this purpose are now being constructed in Mukden.

Heavy Cost to Japan of Manchurian Adventure

It was officially announced from Tokyo, August 28 that during the four months from April to July this year the Japanese Government defrayed a total sum of Yen 58,122,-974 as Manchurian Incident expenditures. Of this amount, Yen 33,373,287 was spent by the War Office, Yen 22,942,-960 by the Navy Office, and Yen 1,806,727 by the Foreign Office. In order to meet these expenditures, the Government issued loans in May and July to an aggregate amount of Yen 90,000,000.

Dairen Trade, Reckoned in Depreciated Yen, Increases

Statistics compiled by the Government of the Kwantung leased territory show that the total of customs revenue of the Dairen Custom House During the first half year period between January and June reached the sum of 8,071,000 yen as compared the amount of 3,086,000 yen of the corresponding period of last year, registering about 62% increase. The increase is explained partly by the depreciation of the yen and partly to an increase in the amount of imports into Manchuria.

Less Terrorism in Boycott---But Japanese Squadron Returns

There was a noticeable lull during the week in terroristic methods in connection with the Chinese boycott against Japanese goods. Following representations to the Chinese authorities by the Japanese Consul General, Mayor Wu Te-chen of Greater Shanghai is stated to have had private conferences with Chinese leaders in various walks of life asking them to use their influence to prevent acts of violence. The writing of threatening letters by the so-called "bloody groups" has continued but the principal effect seems to have been to induce many large Chinese firms to insert advertisements in the vernacular papers stating that they have ceased to deal in Japanese goods and do not need threatening letters to induce them to adopt said policy. One of the forms of keeping up the boycott is to stamp banknotes with Chinese characters to the effect that the person who uses the notes to buy Japanese goods will have no offspring—a powerful argument in a country where ancestor worship is part of the religion. The Japanese authorities have given an emphatic denial to rumors that they intended to use force to stop the boycott activities. Rumors that another onslaught was about to be commenced by the Japanese on Chapei was alleged by the Japanese consular authorities to have originated with transport companies who hoped to make a profit out of furniture removals. In fact there was noticeable for a short time a distinct exodus of Chinese families from Chapei. Japanese marines earlier in the week had been visiting Chapei in groups on sightseeing tours, and although they were unarmed their presence was sufficient to create alarm.

Although there were few overt acts of violence recently recorded in Shanghai in connection with the boycott movement the atmosphere has continued tense. Various signs of possible military or naval activity on the part of the Japanese in the Shanghai area appeared on the surface during the week, so much so that the *Manchester Guardian* August 30 in an editorial headed "Another Shanghai Diversion?" said that obviously if it suited the Japan to have another flare-up in Shanghai she can easily precipitate one. It was announced during the week that the Third Squadron of the Japanese Navy, which was stationed here during the Chapei invasion in January, February and March had been ordered to return here. The Japanese announce this as "a tactical move to preclude an emergency." Reliefs for the local Japanese garrison were due to arrive here end of the week.

At Tientsin, the local police authorities have been ordered by the Tientsin Municipal Government to suppress all illegal organizations and their activities in the Municipality. This action followed the delivery of a reply to the Japanese Consul at Tientsin August 29 regarding the latter's protest against the recent bombing outrages which, it was alleged, were aimed at stirring up anti-Japanese agitation. The Municipal Authorities informed the Japanese Consul that every step is being taken to preserve peace and order in the Municipality.

Japanese Bluejackets Patrol Hongkew Because of Bombing Incidents

A convention of the National Conference of Chinese Patriotic Bodies was opened at the Tai Chung Hwa Hotel, Thibet Road, Shanghai August 2 under the auspices of the Shanghai Federation of National Salvation Association. General Tsai Ting-kai, field commander of the 19th Route Army, who arrived from Amoy with representatives from patriotic bodies in that city attended the conference.

Meanwhile, working hand in hand with the federation, the Bloody Group for Extermination of Traitors is continuing its program of throwing bombs and sending threatening letters to Chinese shops selling Japanese goods. A bomb found in the Tai Feng Rubber Publishing Company, French Concession, failed to explode. According to the letter addressed to the company by the "Bloody Group," the company has been dealing in Japanese materials.

At 2 p.m. August 24 an unknown Chinese threw into a Chinese piece goods shop at 102-106 Rue Porte de l'Est, a paper packet, which on being opened, was found to contain one round of rifle ammunition. The police believe that it was from the patriotic group.

With the situation taking a more serious aspect daily, 80 Japanese constables of the local Japanese Consulate were ordered out in company with Japanese bluejackets to patrol Range, Woosung and Quinsan Roads, August 24. Residents in said district were thrown into panic, fearing that a resumption of hostilities had taken place.

Count Uchida Says Japan Will Tolerate No Interference

COUNT Uchida's speech on Manchuria delivered before the Japanese Diet at Tokyo August 25, the text of which is printed in full elsewhere in this issue of *The Review*, is remarkable in many respects. In its wilful distortion of facts, in its deliberate falsehood of statement, in its specious and paradoxical reasoning, and in its utter lack of candor and sense of honor and honesty, the document can hardly be equalled by any thing in history. Seldom indeed, does one find a high and responsible official of a great Power commiting himself to such a deliberate attempt at falsehood and duplicity; perhaps, only a Japanese statesman is capable of such a brazen feat.

To a large extent, the speech speaks for itself. Boiled down to a few words, it means that Japan is determined to continue its swashbuckling way in Manchuria regardless of the Kellogg Pact, the League Covenant, or the Nine Power Treaty. The only concession Japan finds herself compelled to concede before the weight of the adverse opinion of the world at this moment is an incidental disclaimer of the intention to "annex" Manchuria. Beyond that, her attitude towards the question is as perfectly clear as the open day. Having embarked upon the adventure of aggression and conquest of Manchuria, she will now tolerate nothing to block her way and will brook no interference by any third party or any international covenant. In the light of the tragic history of the absorption of Korea, the world knows well what is Japan's ultimate goal in her present activities in Manchuria. Indeed, nothing short of complete annexation of that territory will satisfy her hunger for land, although the Count makes it a point to disclaim such intention.

Count Uchida opened his speech with an optimistic note that "Manchukuo has entered upon a career of sturdy and healthy progress" and stressed the importance of its recognition by Japan as "the only means of establishing a condition of permanent peace in the Far East." But the plain truth and glaring fact is that Manchukuo, beset by the rampant activities of Chinese volunteer corps, has yet to prove "its fitness to survive." Perhaps, no one realises more than that pathetic figurehead, Henry Pu Yi, himself now styled the Chief Executive at Changchun, that he is sitting on an uneasy throne and is counting the days when it will finally collapse. Count Uchida's misrepresentation of facts may fit well Japan's purpose in internal politics but it can not deceive the outside world.

In empahsizing the necessity of official recognition of the puppet regime of Manchukuo, Count Uchida is expecting a little too much and perhaps, the Count is self-conscious of this fact. Far from assuring a "permanent peace," it will keep the area in ferment and chaos for centuries or as long as Japanese arms ravage the wishes of the people. In a perfectly diplomatic way, the Count conveniently shifts the "cause of the unfortunate turn in the international situation" to the chaos in China and lays the whole blame on the latter. Readers of Chinese diplomatic history will agree that it is Japan which has done more to keep China in disturbance and disunited than any other single foreign country. Especially since the founding of the Republic, Japan has surreptitiously placed a finger in the pie in almost every political change in China and in every Chinese political intrigue. She has played one party in China against another and kept the country in perpetual internal strife. The case of the Anfu Clique versus the Chihli Faction is the most glaring of all. Even as late as the Summer of 1931, when a split occurred between Nanking and Canton, Japan flirted with the Southern politicians to foment a fresh civil war in order to weaken the stand of the Nanking Government. Instances of Japanese intrigue and plotting in China can be multiplied without number, but it is not necessary to detail. The world knows them well.

In defending Japan's present aggressions in Manchuria, Count Uchida lightly invokes the evil precedents set by the Western Powers in dealing with China. He says "it has always been the practice of the Powers, as has been demonstrated by innumerable occasions, to repair or prevent injuries to their important rights and interests in China, by direct application of force without relying upon these instruments of peace" —the Covenant of the League of Nations. In the opinion of the Count, Japan is doing exactly what others having been practising all the time. To some extent, he is both right and logical, but he is not on sound ground, when he attempts to justify his country's armed invasion of China's territory by such precedents. It must be noted that the grievances of Japan against China in Manchuria have practically always been of her own making or engineering and at times more imaginary than real. As a rule, they are always effects rather than causes. Japan has long harbored aggressive designs on Manchuria and has longingly looked for a plausible pretext to launch armed enterprises. For the past two decades, she has consistently sought for trouble. After vainly seeking one sufficiently grave to precipitate a crisis, she destroyed a few tracks of the South Manchurian Railway—for such is the real truth—and announced to the world that a sufficient cause for complaint existed which amply justifies her direct application of force of arms. "An important right has been repaired" and it is imperative for Japan to trample under foot all international peace documents and to make amends by force. The real truth is that the Mukden Affair has long been premeditated and Japan has simply waited for a favorable moment to strike the first blow. In fact, she has never bothered herself with the pacts, covenants and that nonentity, the League of Nations, which she looks more as a piece machinery for the manipulation of international politics than as a peace preservation organization.

Count Uchida is deliberately distorting fact, when he says: "For over 20 years, Japan continued to exercise the greatest patience and moderation—. China, however, has failed to show any sincere desire to reciprocate our goodwill and kindly sentiments, but increased more than ever her arrogance and intolerance." Count Uchida was speaking by contraries; these words could have been very fittingly spoken by

the Chinese Foreign Minister. By such assertions, Japan attempts to shift the entire responsibility for the Mukden Affair on the shoulders of the Chinese. "Such an assertion," as the *Sin Wan Pao* aptly illustrates in an editorial comment, "is like robbers blaming their victims for not having enough politeness to give up their property voluntarily instead of causing the robbers the trouble of having to take it themselves." Count Uchida would be a great statesman, if he had the honesty and candor to admit that for 20 years, Japan has subjected China to provocation after provocation and severely tried her patience. Innumerable insults have been heaped upon her; she has been humbled and humiliated, but she has exercised forbearance. Indeed, it is a regrettable truth that every concession made by China serves to increase the arrogance of Japan and all efforts of conciliation on her part have utterly failed to win reciprocation. China's retaliation has always been reaction of some attacks or provocations on the part of Japan and it has always been confined to an exertion of economic pressure by means of boycott.

Count Uchida's assertion that the establishment of Manchukuo was the outcome of a separatist movement having for its background the geographical and historical peculiarities of Manchuria as well as the psychological character of the Manchurian people is another deliberate falsehood which does not seem to become a person in his position to make. A man like Count Uchida can not utter such an evident misstatement without exposing himself to ridicule and odium before the world and staining the honor of the Japanese nation. His further assertion that the independence of Manchukuo has been achieved through the spontaneous will of the Manchurians themselves and should be regarded as a consequence of the fissiparous movement in China makes the falsehood of the statement all the more glaring. Count Uchida talks glibly of "the Manchurians" and "the Manchurian people" as if they are an entirely different race from the Chinese. Apparently, he purposely used these terms to mislead the outside world, but he can deceive none who knows Manchuria. If one wants to trace the first settlers of the place from a historical standpoint of view, the indigenous inhabitants may be termed the "Manchus," but as a race, they had not been peculiarly different from the Chinese and they have long been assimilated by the Chinese people during their three hundred years of intimate contact with the latter. Whatever peculiarities might have existed have been obliterated before the dawn of this century. The people who are inhabitating that vast area are mostly Chinese. They speak and write the same language as their brethen inside the Great Wall. "Manchurians" as a peculiar race as stated by Count Uchida exist only in his own imagination and are not know to the outside world. The so-called Manchukuo, to all intents and purpose, is a puppet creation of Japanese arms and its survival depends entirely upon the constant presence of the Japanese military forces. To speak of the spontaneous expression of free will under circumstances where Japanese armed hordes are terrorizing the people is simply ridiculous. To put it curtly, the puppet regime is a prostitution of the will of the Manchurian inhabitants. The real will, if there is any, is the iron will of the Japanese military whose sole aim is conquest of the country. The world knows it; Japan herself knows it. It would seem a climax of folly in face of such indisputable facts to misrepresent the real situation. For instead of helping Japan in her case before the tribunal of world opinion, such a distortion of facts will surely injure her name as an honest and self-respecting nation. In an attempt to explain away the suspicion that the independence of Manchuria was inextricably involved in Japan's military operations, Count Uchida said that those who seek to place the responsibility for such simply labor under ignorance of facts and altogether missed the point. This is, of course, the point on which the whole Japanese adventure in Manchuria stands or falls. Whether the world is laboring under ignorance of facts or Japan herself has utterly ignored them are too plain to need refutation. Count Uchida's complaint of world's misunderstanding seems superfluous.

In suggesting the ways for the solution of the Manchurian imbroglio, Count Uchida, as a diplomat, shows himself at the best. The proposals constitute at once both a bait for foreign support and a warning against League interference. "To make Manchuria a safe place to live in for Manchurians and Foreigners; alike prevention of any recrudescence of the erstwhile anti-foreign policy and movements," is a free lip service to foreign Powers. On the other hand, the Count makes known in unequivocal terms that Japan would reject all sentimental propositions and abstract theories and would consent to the solution of the problem only upon the solid basis of the realities of the situation. Any suggestion of compromise or patch-up arrangement would be utterly unentertainable by Japan. "Japan can never consent to a solution of that kind"—a patch up scheme by investing China Proper with some form of authority over Manchuria. Such emphatic statements obviously allude to the proposed recommendations of the League Inquiry Commission report which do not fall in with the purpose and expectations of Japan. In a word, Japan is resolved to maintain her sure foothold on Manchuria by all means, fair or foul and is prepared for any eventualities to sustain her stand. What ever stands in her way, whether the League of Nations, the Nine Power Treaty, the Kellogg Pact or that vague and inconcrete thing, public opinion, must be swept away. Such an attitude constitutes not only an utter disregard of China, but a direct challenge to the world. Not only is the peace of the world placed in jeopardy by such an arrogant and bellicose attitude, but the safety of nations is also endangered. If Japan should have everything her own way, what can be done with her, should she actually put that fanatical document, the Tanaka Memorial for World Conquest, into execution? It is time for serious thought on the part of the Powers, when there is yet time, for a Japanese Manchuria with its rich material sources will certainly be disastrous for the world civilization and enable her to defy the world in more aggressive forms. Whether the world will be cowed by the Japanese threat or not remains to be seen.

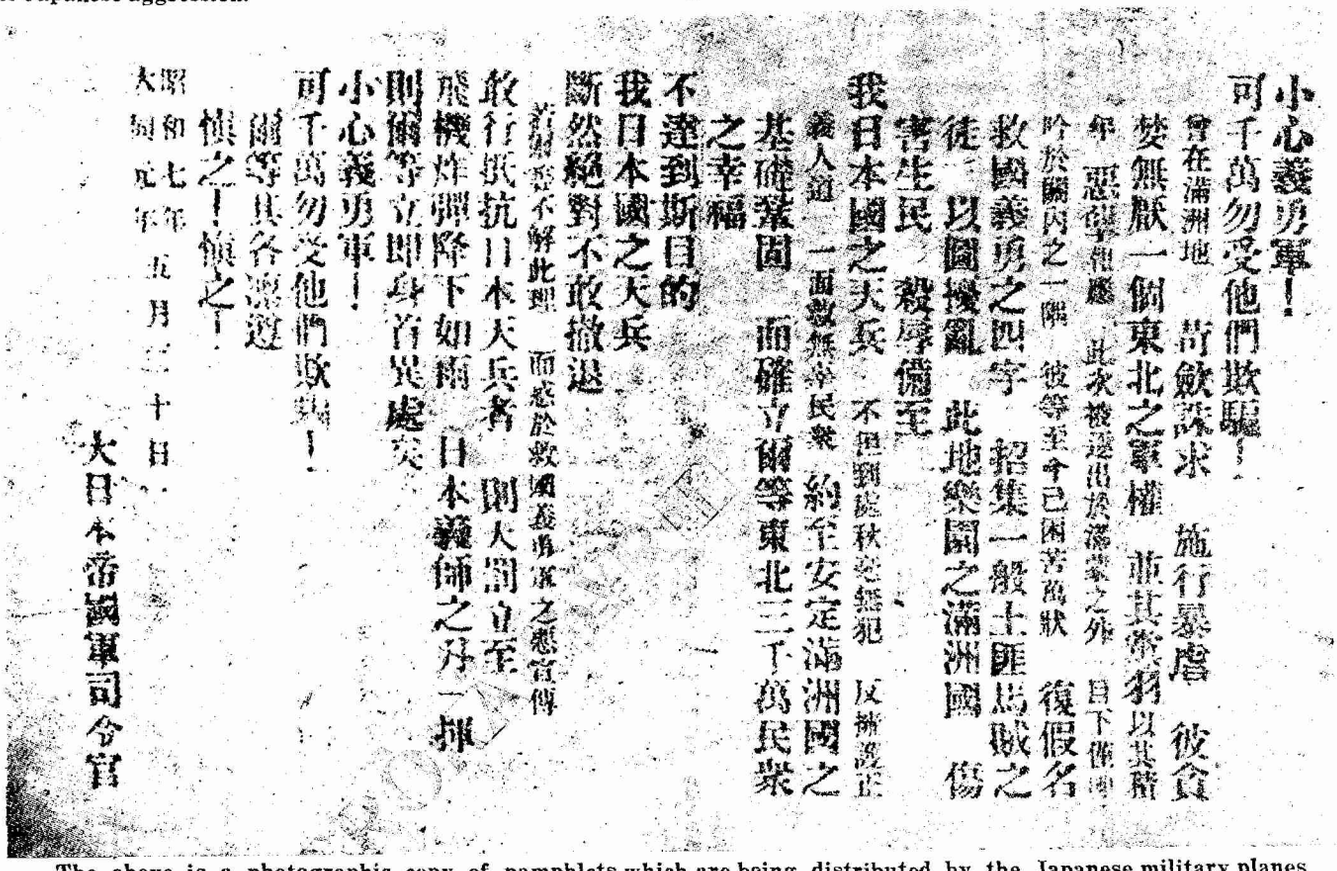
C. H. H.

62-012

Japan's Aggression in Manchuria Reaching Its Second Stage

BY C. Y. W. MENG 孟憲彝

THE repeated invasions of Jehol indicate quite clearly that the Japanese plan of conquest of China, or to put it in other terms, to obtain the Japanese hegemony in Asia, is systematic, aggressive and well-planned. After the occupation of the Chinese Three Eastern Provinces, the Japanese established a "puppet government" and placed Henry Pu Yi, the ex-Emperor of China, as the head of the so called "Manchukuo," the Land of Manchuria. This is the completion of the "first stage" of the Japanese aggression in Manchuria. The invasion of Jehol, the attempt to accord formal diplomatic recognition to Manchukuo, and the efforts to consolidate the Japanese position in the newly "conquered land," mark the "second stage" of the Japanese aggression.


小心義勇軍！
可千萬勿受他們欺騙！
曾在滿洲地 苛斂誅求 施行暴虐 彼貪
婪無厭一個東北之軍權 並其餘豹以其醫
牟 惡聲遠播 此次被逐出於滿蒙之外 目下僅
吟於關內之一隅 彼等至今已困苦萬狀 復假名
救國義勇之四字 招集一般土匪馬賊之
徒 以圖擾亂 此地樂園之滿洲國 傷
害生民 殺戮備至
我日本國之天兵 不思到處秋毫無犯 反撫愛正
義人道 一面整頓幸民業 約定安定滿洲國之
基礎落固 而確立爾等東北三千萬民衆
之幸福
不達到斯目的
我日本國之天兵
斷然絕對不敢撤退
若前要不解此理 而惑於救國義勇軍之惡宣傳
敢行抵抗日本天兵者 則大罰立至
飛機炸彈降下如雨 日本義師之刃一揮
則爾等立即身首異處矣
小心義勇軍！
可千萬勿受他們欺騙！
爾等其各速遠
愼之！愼之！
昭和七年
大同元年 五月二十日
大日本帝國軍司令官

The above is a photographic copy of pamphlets which are being distributed by the Japanese military planes throughout Manchuria. In these circulars the Japanese militarists describe themselves as "heavenly soldiers," and warn the Chinese not to be "deceived" by the Volunteers who are now fighting against the Japanese forces. In other pamphlets, the Japanese are said to have reported to the Chinese that another civil war is going to break out in China and that the Chinese are advised to "quickly come over to the 'heavenly Japanese kingdom'."

The Reasons for the Jehol Invasion

There are many reasons for the Japanese wishing to invade Jehol, and we may discuss some of them.

1. Jehol lies between Outer Mongolia and Hopei, the former being under the influence and actual control of the Soviets, while the latter is under the control of the "Young Marshal," General Chang Hsueh-liang. If Japan is in occupation of Jehol, she will be in a better position to further her military activities in North China and in a position to wage war with China and Russia. The repeated invasions of Jehol by Japan indicate that Japan is preparing for a war with these two countries.

2. At present, the Chinese volunteers have been very active in every part in Manchuria in attacking the Japanese forces, and in many places the Japanese forces have been badly defeated. The Japanese presume that the Chinese authorities inside of the Great Wall must have instigated these volunteers to fight and must have furnished them with supplies. The Japanese think that in order to suppress these "bandits," as the Japanese call the volunteers, they have first to occupy Jehol, to cut off the supplies to the "bandits." But as a matter of fact, it is not the case. These volunteers are solely animated by patriotic feelings and a sense of responsibility that they have been fighting against the invaders because they want to drive these "devils" out of Manchuria. Neither the Central Government nor the northern authorities have given them any form of assistance or supplies.

3. If Jehol falls into the hands of the Japanese, the latter think that there will be no other way open and no more hope for the Chinese to "recover" the lost territories.

4. If Japan is in occupation of Jehol, the Japanese further think that they would use the occupation of Jehol as a "lever" to extract some promises from the Chinese authorities relating to Japanese occupation of Manchuria. Japan's invasion of Jehol is for the sake of clinching the future hold on Manchuria!

Early Attacks Prove Abortive

So in the early part of July, the Japanese attacked Jehol. At that time the Japanese had a firm belief that the Chinese there would not put up any resistance, so they attacked Chaoyang with only three hundred men. But unexpectedly, the volunteers around Chinchow were making rapid progress in their attempt to capture Chinchow. The Japanese forces were forced to withdraw from Chaoyang.

Taking for granted that the resignation Wang Ching-wei from the presidency of the Executive Yuan, and of Marshal Chang from the chairmanship of the Northern Pacification Commission, must have caused internal conflict among the Chinese leaders, and particularly that the resignation of the Marshal must have discouraged the volunteers in Manchuria, and supplies to them must have been cut off, the Japanese again attacked Jehol under the pretense of "rescuing Mr. Ishimoto" whom they alleged had been killed by Chinese soldiers.

But it is interesting to note that two days before the actual attack on Jehol, the Japanese legation guard held manoeuvres in Peiping, apparently with the intention of intimating to the Young Marshal beforehand not to remove any of his troops and to refrain from sending any soldiers

to Jehol. It is reported that shortly after midnight the residents in the central part of the old capital were alarmed at the spectacle of Japanese soldiers dashing about the streets with fixed bayonets and machine guns, shouting out orders in the darkness. It was further reported that the Japanese in disregard the usual custom, did not notify the chief in command of the legation forces that the Japanese were going to hold manoeuvres. Their apparent desire was to demonstrate their forces before the Young Marshal.

5. Japan often claims that Mongolia is a part of Manchuria. By placing Henry Pu Yi as the head of Manchukuo, the Japanese primary motive is to induce the Mongolians to join Manchukuo. A couple of weeks before the invasion, the Japanese spread reports that the Mongolian princes had held a conference and they had decided to join Manchukuo, etc. The Japanese intention is apparently to show to the world that the Mongolians have now voluntarily submitted themselves to Manchukuo. But when an investigation is made, it is found that this is not the case. The writer of this article has been reliably informed that prior to the Japanese occupation of the Three Chinese Eastern Provinces (Manchuria), there were many Mongolians residing in Manchuria. After the occupation, the Japanese detained all of them and deprived them of their liberty. The so-called "Conference of Mongolian Princes" which was evidently held in Mukden under the pressure of Japanese militarists and the resolutions adopted in accordance with the Japanese wishes under duress, was only participated in by the Mongolian princes now under the Japanese supervision, not the princes coming from Mongolia (Inner or Outer). In an interview with the Mongolian representatives who had just returned to Nanking from Mongolia, the writer was informed that the Mongolians are just as anti-Japanese as the other Chinese and they are probably more anxious to fight against the Japanese than the other Chinese because they are sure that the Japanese would soon invade Mongolia. The writer was also informed from other sources that the Japanese attempt to induce the Mongolians to join Manchukuo by placing Henry Pu Yi as the head of Manchukuo, had failed entirely to produce any effect in Mongolia. So another reason why the Japanese invade Jehol is because they want to occupy Mongolia also, so as to incorporate it with Manchukuo.

6. But there is another reason why the Japanese invade Jehol. At present, the political conditions in Japan are bad. The political parties are in dispute over the Manchurian situation. The proleterians, due to the economic condition, are gradually becoming dissatisfied with the militarists in their action in China. By creating another grave situation in Jehol and Manchuria, the Japanese militarists hope to divert the attention of the people at home from the situation in China.

No Preparation on the Part of the Chinese!

What surprises us is that the Chinese military authorities in the North never make any preparation for defence. In the early part of July, Japan already made an attack on Jehol when they bombed Chaoyang. Since then seven weeks have passed. Why did the Chinese authorities not make any preparation for the defence of Jehol? Judging from the telegrams received from the Jehol authorities, we can easily understand that there has been no preparation at all by the Chinese. In his telegram dated August 19 Gen. Tang Yu-ling, now chairman of Jehol, reported that, being "outnumbered, his troops at the front are not adequate to meet the invasion," so he asked for reinforcements and supplies, etc. According to the report, Nanling was already occupied by the invaders. We should like to ask General Chang Hsueh-liang, General Tang Yu-ling, and many others, who are in command of no less then 250,000 troops, why they did not prepare for resistance seven weeks ago when they were first attacked? Instead they repeatedly sent telegrams to Nanking asking for reinforcements, supplies and "cash." When the 19th Route Army and the 5th Route Army went to war with Japan in Shanghai, they never demanded anything, but the people voluntarily contributed whatever they could for the needs of the armies. It is now officially reported that the cash contributions from the public to the 19th Route Army alone amounted to no less than 11 million dollars. 120 motor cars were presented to the same army, beside many other supplies. Why do not the Northern generals make up their minds to prepare for defence. If they would do so the people in other parts of China would surely support them.

Importance of Jehol

From the standpoint of the military strategy Jehol is very important; this goes without saying. In order to protect North China, Jehol should not be lost. In order to protect Mongolia from falling into the hands of the enemy, Jehol must be held by the Chinese. In order to enable the Chinese to recover the "lost territory" (Manchuria), Jehol should first be protected at all costs!

The Japanese invasions of Jehol should be sufficient to convince the Chinese that there is no more hope for effecting a peaceful settlement with the Japanese with regard to the Manchurian situation. The Island Empire is now dominated by the militarists who are now constitutionally not under the control of the civil authorities or the cabinet, but are only responsible to the Emperor, who is now "A Man Who Can be No Wrong." The militarists are now the sole power in Japan! The militarists get every cent from the proleterian people to finance their military activities in Manchuria, and in return, they try to convince the people that the solution of the present nation-wide economic depression lies in the acquisition of Manchuria by Japan. So the militarists have to go on more vigorously than before with their military activities in Manchuria in order not to bring dissatisfaction in the country. Their aim is to force China to agree to:

(1) The recognition of the existence of Manchukuo, independent of China;
(2) The establishment of a new government in North China which will be more amenable to Japanese wishes, and
(3) The total suppression of anti-Japanese activities throughout China.

It is futile for the Chinese Government to try to open direct negotiation with the Japanese "foreign office" with a view to settling the whole situation, for the whole situation is now in the hands of the Japanese militarists, not in the foreign office.

Secondly, the Japanese invasion of Jehol means automatically the simultaneous attack of Tientsin and Peiping, as it is the intention of the Japanese to attack the Chinese from the rear.

"Fight or Surrender!"

The present situation as it stands today leaves the Chinese two and only two alternatives, that is, to fight or to surrender! To hope for a direct negotiation with the Japanese is more than foolish.

Geographically speaking, we have to admit that both Tientsin and Peiping are poorly situated, quite easily accessible to a foreign invasion. When the time comes for the Chinese to put up a resistance, Shanhaikwan would constitute the first Chinese defence line, and the Liu-ho would be the second defence line. But unfortunately, Chingwantao is situated at the back of Shanhaiwan, and Tientsin is situated at the back of Liu-ho, in both places the Japanese could easily land their troops, far more easily than they landed their forces in Liuho in the Sino-Japanese war around Shanghai. So, as pointed out by the military experts, the Chinese could not be expected to hold long Tientsin and Peiping, against an invasion. But the Chinese should keep in mind that the Japanese motive is not to capture Tientsin and Peiping, but to capture Jehol. So it is more important for us to protect Jehol—not so much Tientsin and Peiping. It is further pointed out by the military experts that the Chinese should concentrate their troops around Chaoyang. The headquarters of the Chinese forces, now in Peiping, should be removed to Kalgan where it could easily establish communication with Taiyuan-fu, where an up-to-date arsenal is situated. In other words, the situation is not such as to make it impossible for the Chinese to fight. The Chinese can fight if they make a "momentous decision!"

Japan to Recognize Manchukuo on Sept. 18

In the last session of the Diet, the formal diplomatic recognition of Manchukuo was already discussed. But the Tokyo government was, however, of opinion that consolidation the Japanese position there and the unification the Japanese organizations in Manchuria should first be accomplished. The appointment of General Muto, one of the strong men in the Japanese military machine, as dictator of Manchuria, chief in command of the Japanese forces in Manchuria, governor-general of the Kwantung leased territory, and "envoy-extraordinary and ambassador" to Manchukuo, is a further manifestation of the determination of the Japanese military clique to proceed undaunted with its so-called "continental policy."

At present, Japan sends a minister to China, but now Japan actually sends an "ambassador" to Manchukuo! It is a direct and wilful insult to China, a situation which jusitifies a declaration of war against Japan!

The office that General Muto has assumed is similar to the Residency-General which Japan created in Korea shortly after the Russo-Japanese War. It was the office

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that paved the way for the ultimate annexation of Korea. Will history repeat itself?

Reuters states that Tokyo is determined to recognize Manchukuo on September 18, in memory of the anniversary of the Japanese occupation of Manchuria. The following are said to be the terms between Tokyo and Chungchun:

1. The defence of Manchukuo shall be left to the discretion of Japan whose interests are common with those of Manchukuo.
2. The management of the various railway lines in Manchuria shall be entrusted to the South Manchuria Railway Company.
3. Of the existing treaties, Manchukuo is to succeed to all those treaties concluded by China except such as threaten the independence of Manchukuo.
4. All Japanese interests and rights in Manchuria to be embodied in treaties as much as possible.
5. Officials in the Manchurian Government of Japanese birth are to be given secure status.
6. Freedom of travel, residence and commerce be accorded to the Japanese in Manchuria, and
7. Extrality as a rule shall be abolished but in its practical enforcement, individual agreements shall be made.

In the 63rd session of the Diet, both the premier and the foreign minister, in their speeches, laid special emphasis on the necessity of Japan recognizing Manchukuo, and they further urged the "early granting of such recognition by Japan."

The present vigorous actions in Manchuria are apparently due to the fact that the Japanese have already learned that the Lytton Report which is due to be published in the middle of September is not favorable to Japanese action and that when the report is published, the Japanese would be strongly condemned by the world public opinion. So the Japanese think it is better for them to take time by the forelock and engage in aggressive actions as early as possible.

Chinese People Want War with Japan

However, the Japanese should be fully aware that the Sino-Japanese crisis has already reached its actuest stage. Any spark would have the effect of setting the whole into conflagration. The Chinese Government may not want to go war with Japan, but the 450,000,000 Chinese are very anxious for a war with Japan. Just imagine the whole-hearted support that the people have given to the 19th Route Army when the latter put up a resistance against the Japanese invasion of Shanghai. The said Army is now being looked upon as the "Savior of China" and is heartily welcomed everywhere in China. General Chiang Kwang-nai, the commander in chief of the Army, when was travelling in a village, was kidnapped by the bandits, but after discovering that the general was General Chiang Kwang-nai, the "defender of Shanghai," the bandits quickly released him and escorted him to a place of safety, adding that the Chinese should "respect the one who would resist the foreign invasion." A communist now in custody is quoted as having said that the communists would fight against any of the government army "except the 19th and 5th Route Armies," because "they had resisted the Japanese invasion before." In a circular telegram to the nation, the various chambers of commerce and commercial bodies said that "as regards anybody who could resist the foreign invasion, we would serve them as 'our fathers and teachers.' (誰能抵抗父事之師事之). Such is the public sentiment in China today! The Nanking Government may have committed a blunder in taking up the bandit suppression first and the Manchurian invasion next, and in relying so much upon the League of Nations for justice, and in trusting to direct negotiation with Japan in order to settle the whole issue with Japan, but in the face of repeated invasions and bombardments, the Chinese are sure to lose all their patience. So any further aggressive action taken by Japan, will mean automatically the outbreak of a Sino-Japanese war.

Nanking, August 27, 1932.

Seized Narcotics Burned in Shanghai French Concession

Large quantities of narcotics and opium-smoking and gambling paraphernalia were burnt publicly on the grounds of the Second Special District Court in the French Concession, August 23. Representatives of Party, Government, police, and judicial organs were present. The articles destroyed comprise confiscations by the Court in opium and gambling cases during the period between February 1 and June 30 respectively.

Justice Feetham Recommends a Municipal Council of 30 Members

Important changes in the procedure of the Shanghai Municipal Council are included in the many suggestions made in the concluding volume of Justice Feetham's Report upon the problems of the International Settlement, a summary of which was made public during the week.

Instead of the present Council of 14 members, five of whom are British, five Chinese, two Japanese, one American and one Dane, Judge Feetham suggests that the body be enlarged to not less than 22 and not more than 30 members, and if this is done it would be necessary for the Council to revise its procedure and adopt a system which would be better adapted to the requirements of a larger body: but even apart from any increase in numbers, he points out, there are certain changes in existing procedure which might be made to the best interests of the community.

It is stated in the report that the procedure normally followed at meetings of the Council may be described as the informal procedure of a small executive body.

On this point Judge Feetham says: "Apart from any other criticism to which the methods at present followed may be open, it is obvious that they are not likely to prove well adapted to the requirements of a body consisting of over 20 members, whose debates, if there is to be due economy of time combined with adequate opportunity for individual members to express their views, must almost inevitably assume a more formal character."

The advantages of a committee system of administration are gone into and Judge Feetham reiterates the opinion expressed in Part V. of his report that the full advantages of a committee system are not secured under present arrangements.

Shanghai American Consulate Renews Lease on Temporary Site for Two Years

The local American Consulate-General recently renewed the lease on the building it occupies at present at Kiukiang and Kiangse Roads, formerly the Kalee Hotel, thus postponing for at least two years plans of building a spacious home for itself on the land it owns fronting Whangpoo Road.

The rental to be paid on the present quarters is reported to be G. $40,000, a considerable reduction over that paid in the past two years. The new lease becomes effective on October 1.

Local consular officials state that they have no news from Washington regarding the old site, which is now vacant, the buildings having been demolished several years ago. Recently officials of the Japanese Consulate, which adjoins the American ground on Whangpoo Road, requested the American consular authorities to allow them to use the vacant land as a play-ground. This request was granted. American consular officials point out that the present rental of G.$40,000 represents interest at six per cent. on a principal of more than G.$650,000, which is almost the amount that the proposed consular buildings would have cost.

International Anti-War Congress Assembles--- Soviet Delegation Absent

Amid scenes of tremendous enthusiasm the International Anti-War Congress, originally scheduled to meet in Geneva, but banned by the Swiss authorities, assembled at Amsterdam August 28 in one of the city's largest halls. There were no representatives of the Soviet Union present, the Soviet delegation having been refused entry to Holland by the Dutch government.

The congress was attended by delegates from over 3,000 organizations representing 30,000,000 people, and was drawn from most of the countries of the world. The various delegations included 300 socialist workers and a large number of journalists and visitors.

Maxim Gorky, in a telegram of greeting read out to the congress, referred to the refusal of the Dutch government to admit the delegation from the U.S.S.R. "I do not deny the enemy his right to cowardice," says Gorky, "but in this case the cowardice seems quite inexplicable to me. The Dutch government has shown the working class of the whole world who are its enemies and who its friends."

Count Uchida Says Japan Has Not Violated Kellogg Pact

The following is a translation of the text of the speech delivered by Count Uchida, the Japanese Foreign Minister, in the Diet at Tokyo, August 25, on the subject of Manchuria. It has been supplied by the semi-official Japanese news agencies, and probably is a fair summary of what Count Uchida said. It may be taken for granted, however, that parts of the speech in the original vernacular were couched for local effect in somewhat stronger terms, and also that certain points were gone into at greater length than the translation would indicate.—Ed. C. W. R.

AT the June session of the Diet, my predecessor took the occasion to report upon and discuss the outstanding foreign relations of this country. To-day, in view of importance of the developments in Manchuria that have taken place since then, I desire to review the questions in Manchuria and China proper and describe, in some detail, the policy of the Japanese Government.

We are all gratified to note that Manchukuo has entered upon a career of sturdy and healthy progress. The Japanese Government is convinced that the recognition of this new State is only a means to establishing a condition for permanent peace in the Far East. And, it is with a view of early extension of formal recognition to Manchuria that we are making various arrangements, upon the expected completions of which in the near future, our plan will be carried through. However, there are those in other countries, who do not fully comprehend the attitude of Japan toward China, nor the measures she has taken since the incident of September 18 last year and who, in default of correct conception of the advent of Manchukuo, look upon any recognition of Manchukuo by Japan as illegitimate procedure. In view of such misunderstanding as still persists, I avail myself of this opportunity to clarify Japan's position and expound to you the reasons why the Government consider the recognition of Manchukuo to be only means of solving the Manchurian problem, although in doing so I may have repeated what already has been set forth in successive declarations and statements issued in the past by the Japanese Government.

It is an indisputable fact that the chaotic condition in China and so-called revolutionary policy carried on by China under the enthralling influence of extravagant political dogma have been principally responsible for the unfortunate turn that the international relations have taken of recent years in the Far East. Although Japan has been the chief victim of the abnormal state of affairs in China, other countries have also suffered intolerable indignities and incalculable material loss. At the same time, it is admitted by those conversant with the actual conditions in China no remedy can be effected having recourse either to the Covenant of the League of Nations nor to any other organ of what may be termed "machinery of peace." In fact, it has been the practice of the Powers, as has been demonstrated on innumerable occasions, to repair or prevent injuries to their important rights and interests in China by direct application of force without relying upon those instruments of peace.

Japanese Are Patient and Moderate

For over 20 years, Japan continued to exercise the greatest patience and moderation in a hope that some day China might soberly undertake the base of rehabilitating her fortunes and playing her proper role in maintenance of peace in the Far East. China failed, however, to show any sincere desire to reciprocate our goodwill and kindly sentiments, but increased more than ever in her arrogance and intolerance. Our Government took pains and time and again had to point out to China the danger she was running in trying to tax the patience of the Japanese people. But, China did not heed our warnings. The incident of September 18 occurred in Manchuria, the very region regarded as the first bulwark of Japan, at the precise moment when the feeling of our people had been wrought up to the highest pitch by the repeated provocations. We had no alternative other than to resort to measures of self-defence.

There are those who argue as though the actions of Japan were a violation of the Kellogg-Briand Anti-War Pact. But, such contention has no foundation in fact. As I have stated, Japan has been forced to adopt necessary measures for prevention of the wanton attacks upon important rights and interests vital to her national existence. The Anti-War Pact does not put restraint upon exercise of the right of self-defence in such a case. The Pact does not prohibit a signatory power from taking at its own discretion whatever steps it finds imperative in order to remove immediate menaces to its territory and its rights and interests of whatever kind. And obviously, the exercise of the right of self-defence may extend beyond the territory of the power which exercises that right. Japan's actions are essentially identical with the action that other Powers had taken elsewhere in similar circumstances.

Following upon this action legitimately taken by Japan in face of the Chinese attacks, officials of the regime presided over by General Chang Hsueh-liang either fled or resigned, as you know, with the result that there was a practical extinction of that regime. In the meantime, among leading people of Manchuria who had long resented the tyranny of the Chinese and were opposed to plunging their land into the civil turmoil of China proper, projects for political reform were already under way. It is in every way natural that these leaders should have taken, as they did, advantage of the opportunity afforded by the downfall of China to launch out upon active movement.

"Peace Maintenance Committees" were accordingly organised in Mukden, in Harbin, and in other centres. in view of our own responsibility in respect of maintenance of peace and order in Manchuria, we extended necessary cooperation to these committees. It was Manchurian leaders connected with these committees who decided that the hour had struck for founding a new state. The establishment of Manchukuo was an outcome of a separatist movement having for its background the geographic and historical pecularities of Manchuria as well as psychological characteristics of the Manchurian people.

Those who seek to place upon Japan the responsibility for the Manchurian revolution, by tracing the independence of Manchukuo directly to our military operations, simply labor under ignorance of facts and their opinions altogether miss point. Again, as regard to those who fancy they detect a secret connection of some sort on the part of Japan with the foundation of the new State, basing their suspicions on the fact that there are in fact a number of Japanese in the employ of the Manchukuo Government, I need only point to the existence of many precedents for enlistment by a young government or a newly founded state of the services of foreigners. Our own government, since the Meiji Restoration, employed many foreigners as advisers or as regular officials; their number for instance in the year of 1875 or thereabout exceeded 500. Those who misconstrue the presence of Japanese in the Manchukuo Government in the fashion alluded to are placing the responsibility where it does not belong.

A Spontaneous Movement

Manchukuo has come into being as I have already remarked as to the result of the separatist movements within China herself. Consequently, the view expressed in certain quarters that the recognition by Japan of the new State, thus created, would constitute a violation of stipulations of Nine-Power Treaty, is in my opinion incomprehensible. The Nine-Power Treaty does not forbid all separatist movements in China, or debar Chinese in any part of the country from setting up of their freewill an independent staff. Hence, should Japan extend recognition to the existing Government of Manchukuo, she would not thereby, as signatory Power to the Nine-Power Treaty, violate in any way the stipulations of that Treaty. Of course it would be a different matter on the assumption that Japan was to annex Manchuria or otherwise satisfy a thirst for land. Only I hardly need to waste words in once more disclaiming at this juncture any territorial designs on our part in Manchuria or anywhere else.

Thus far, I have elucidated the thesis that the attitude maintained have by Japan toward China, and especially the measures we have taken since the incident of September 18, have been just and proper, that the independence of Manchukuo has been achieved through the spontaneous will of Manchurians, and should be regarded as the consequence of a fissiparous movement in China, and that the recognition by Japan of the new State, thus created, can not violate the stipulations of the Nine-Power Treaty. Now, let me proceed further and dwell upon the reasons why the Japanese Government consider the recognition of Manchukuo as a sole effective means of solving the Manchurian problem.

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With regard to the question of finding a solution for the Manchurian problem, the Japanese Government attach the greatest importance to the following two points: first, that in seeking a satisfactory solution we should aim at fulfilment of legitimate aspirations of the Manchurian people,—at adequate guarantees for the rights and interests of Japan,—at prevention, in order to make Manchuria a safe place to live in, alike for Manchurians and foreigners, of any recrudescence of the erstwhile anti-foreign policy and the movements, and finally at bringing not only stability to Manchuria but permanent peace to the Far East; secondly, that such a solution should be effected by rejecting all sentimental propositions and abstract theories and arrived at upon solid basis of realities of the situation. In view of the circumstances that led to the outbreak of last September and immense sacrifices our country has been compelled to make in the past, the Japanese Government feel the imperious need of arriving at a fundamental solution of the Manchurian problem on lines of these two propositions, and of eliminating for all time the causes of the secular Sino-Japanese conflict.

On the other hand it appears that in certain quarters a plan being considered to reach a solution by patching up the matters for a moment by investing China proper in one form or another with the authority over Manchuria. That such a plan would only serve to reproduce the situation preceding the incident of September 18 is only too plain to us who have been taught by the bitter experience in the past. The people of Japan can never consent to a solution of that kind. Moreover, it is as clear as day that investment of Chinese proper with power over Manchuria, under whatever guise, is totally irreconcilable with the political creed enunciated in the declaration of independence and other public statements of the Manchukuo Government and therefore that scheme in question has no chance of being accepted by the Manchurians. Imposition upon Manchuria of what is not wanted by the Manchurians would be as unjust, as ill-advised, in that it would only end by sowing seeds of future trouble in that land. A plan to invest China proper with authority over Manchuria, and all measures of similar temporizing kind, will never fulfill an object of making Manchuria a safe and happy land for both natives and foreigners, nor do they accord with our principle of binding a solution upon a basis of realities of the situation. Certainly, it is not a way in which to bring stability to Manchuria or permanent peace to the Far East.

An Honest Program

Manchukuo has set out upon an honest program that is open and aboveboard. It declared its intention to pursue a policy of justice, peace and friendship toward other countries, to take over obligations of existing treaties according to the international law and usage, to respect vested rights and interests of foreigners, and to protect their lives and property, to welcome all aliens and to accord them equal and equitable treatment irrespective of their racial origin, to adhere to the principle of the open door, to promote international trade and to contribute to economic development of the world; and Manchukuo's sincerity of her purpose has been definitely established. It is plain, therefore, that to extend to Manchukuo formal recognition and assist its Government to carry on their sound policy above referred to, will be a notable step toward making Manchuria a happy and peaceful land for natives and foreigners alike on the basis of realities of the situation. And, it is plain too that such is the only way to secure a permanent solution of the Manchurian problem.

As long as Manchukuo retains thsterling spirit in which it was founded, and perseveres in its high purpose, it is assured a future full of promise. Here and there we find persons entertaining an exaggerated fear of perils of banditry in Manchuria or making a gloomy forecast regarding finances of the country. But, we refuse to join the company of these pessimists. Upheavals brought about by lawless elements are universal phenomena to be observed in newly established states anywhere in the world. Whereas, in most of such cases it takes some considerable time to put unrest down, it is only fair to say that in Manchuria the suppression of banditry is making comparatively rapid strides. As for the financial status of Manchukuo, I have been told that it is good, really far better than it was anticipated at first by the Manchurian authorities. In view of the vast territory, the thriving population and immense natural resources in its possession, there can be no doubt that Manchukuo, given a good government, will emerge as rich and prosperous country and come to be a great market for the world. It is my hope that healthy development of Manchukuo will not only bring happiness and prosperity to thirty million inhabitants of the country, but will serve as a good example for rehabilitation of China proper.

As regards the conditions prevailing in China proper I regret to say that growing disturbances in her domestic administration, coupled with the rampant activities of communist bandits throughout an extensive area in the Yangtze valley and South China, is casting a gloomy shadow on the path of the National Government. Besides, as anti-foreign, especially anti-Japanese movements still continue unabated, further complications are likely to arise in the foreign relations of China, which in turn will make her internal confusion worse confounded. Truly, our deep sympathy is due to the Chinese people who have to suffer under these troubled conditions. To allow such conditions to persist as they are, I am firmly convinced, will only constitute a constant danger of bringing about serious menace to the rights and interests of foreign powers. On the contrary, the whole world will rejoice, should China realize the gravity of the situation, cast aside her ill-advised foreign policy and adopt in earnest a constructive program of devotion to the task of internal readjustment. It goes without saying that Japan, always conscious of the general interests of the Far East, will still spare no effort to afford all possible assistance to China. Indeed, it is my fervent hope that the day is not far distant when Japan, Manchukuo and China, as three independent powers closely linked together by bonds of cultural and racial affinities, will come to cooperate, hand in hand, for the maintenance and advancement of peace and prosperity of the Far East as well as for the peace of the world and civilization of mankind."

Dr. Lo Wen-kan, China's Foreign Minister, Replies to Count Uchida

The following is the text of a speech delivered at Nanking, August 29, by Dr. Loo Wen-kan, Foreign Minister of China, in reply to Count Uchida.

JAPAN has at last thrown down the gauntlet against the conscience of the whole world. The long speech delivered before the Japanese Diet on August 25 by Count Uchida, Japanese minister for Foreign Affairs, laid bare Japan's intentions so completely that she need not seek any pretext in the further prosecution of her scheme of aggression in China. Ignoring the entreaties for peace of all humanity, defying the League of Nations and any other machinery of peace, and disregarding her obligations assumed under solenmn international treaties, Japan has told the world in effect that she has the right to invade the territory of China, to seize the Three Eastern Provinces, to set up a puppet government and call it an independent state, and finally to shape and control its destiny until Japan and her puppet become one political entity in name as well as in fact. Count Uchida's thesis is, indeed, a tale of medieval militarism guised in 20th century language.

"Pernicious Argument"

Japan has pleaded self-defence for all her acts of aggression, and she now argues that the exercises of the right of self-defence may extend beyond the territory of the Power exercising that right and that the Kellogg-Briand Anti-war Pact does not prohibit a signatory Power from availing itself of that right at its own discretion.

Such a pernicious argument reveals an attempt on the part of Japan to destroy the validity of the anti-war pact altogether. If it could be accepted by the other 61 signatory Powers as a correct interpretation of that epoch-making treaty, then the whole document would be a shame and the nations which have renounced war as an instrument of national policy would seem to have reserved the right to fight an aggressive war on the territory of a neighboring Power.

Pacific Settlement

In point of fact the signatory Powers of that famous treaty, including Japan, mutually agree that the settlement or solution of all disputes, all conflicts of whatever nature or of whatever origin they might be, which might arise among them, shall never be sought except by pacific means. If Japan had really suffered injuries to her important rights and interests in China, as she now seems

to contend, she could have resorted to any of the pacific means known in international law to seek due redress from the Chinese Government. Without even bringing any cause of complaint to the knowledge of the national government. Japan, on the night of September 18, 1931, caused her troops to open a sudden and unprovoked attack on the Chinese garrison in Shen-yang (Mukden) and seized that city by force and then deliberately and progressively extended her military operations until the whole of Manchuria is now under her occupation and control. To plead self-defence under such circumstances only aggravates the wrong of the pleading party. In the recently uttered words of Colonel Stimson, secretary of state of the United States of America, "a nation which sought to mask imperialistic policy under the guise of defence of its nationals would soon be unmasked, and Japan has already unmasked herself.

Preposterous Assertion

It is a highly preposterous assertion that the puppet organization created and supported by Japan herself has achieved its independence through the spontaneous will of the Manchurians and that the Nine-Power Treaty does not forbid any separatist movement in China nor recognition by Japan of any new state formed as a result of such a movement.

The whole world knows that in the Three Eastern Provinces there has never been any separatist movement from within but there has been an aggressive and imperialistic movement from without It is the Japanese militarists who have brought all the theatrical paraphernalia to Manchuria and set up on the stage a bogus government styled by the epithet of the independent state of Manchukuo. It is the Japanese militarists who have translated their own free will into action. It is the Japanese militarists who are brow-beating, intimidating and oppressing the 30,000,000 citizens of the Republic of China who are prevented by sheer force from asserting their own spontaneous will. Geographically, historially and psychologically the Three Eastern Provinces remain a part of the Chinese territory and the inhabitants in these provinces will remain loyal citizens of the Chinese Republic. Japanese troops once withdrawn, the bogus organization will at once collapse like a pack of cards.

Treaty Applicable

If there were in China a separatist movement in the true sense of the terms, the Nine-Power Treaty might not be brought into play as that treaty is not designed to regulate questions in China of a purely domestic nature. But when a part of Chinese territory has been forcibly seized and occupied by Japan who maintains therein an organization of her own operation, there is not the slightest doubt that such actions constitute a flagrant violation of those provisions of the Nine-Power Treaty whereby the signatory Powers including Japan engage to respect the territorial and administrative integrity of China. Japan's guilt in violating this treaty commenced with the opening of her attack on the night of September 18, 1931, and has been continuously aggravated with each of her subsequent acts, including the kidnapping of Pu Yi and posing him as the head of the puppet organization.Her guilt will assume still greater proportions but will not be of a different nature when she carries out her declared intention to accord recognition to the unlawful regime she has herself created.

Statement Said Untrue

Count Uchida knew himself that he was making an assertion which was diamterically opposite from truth, when he declared that Manchuria had entered upon a career of sturdy and healthy progress. There are unmistakable evidences of the people's opposition to Japanese domination gathering momentun every day and everywhere in the Three Eastern Provinces. In the face of Japanese bombing and gun fire, the volunteer forces keep on their activities with redoubled energy.

As for commerce and industry in Manchuria, they have been steadily on decline since Japanese occupation, and, in fact never have the economic conditions in that region been worse than they are at present. There will be no peace and prosperity in the Three Eastern Provinces until all the Japanese troops have been withdrawn from places where they have no right to appear and until the Chinese Government regains control over the land now temporarily lost to us.

Admits Shortcomings

The Japanese Foreign Minister, in attempting to justify Japan's aggression in China, referred to our domestic administration and the activities of Communists. We do not pretend to possess a perfect administration, an administration free from those political vicissitudes common to all countries. Nor do we claim complete success in our work of suppressing Communism thus far undertaken. We also admit that we have not been exempt from the effects of the universal economic depression. We were harassed last year by unprecedented floods and are still suffering from their damaging consequences. Under such circumstances we had believed that the Japanese people, like the people of every other nation, would have shown us the greatest sympathy and given us at least moral help in our stupendous task of rehabilitation. That Japan should take advantage of China's internal difficulties to launch a premeditated scheme of military aggression yet unheard of in the annals of the modern world was indeed beyond human conjecture.

Japan has now defied the whole world—the League of Nations, the Anti-War Pact, the Nine-Power Treaty and the other international commitments, and finally the public opinion of mankind. She is laboring under the fanciful ideas that she could realize her dream of military conquest by rushing matters through and creating *faits accomplis* before the world pronounces its final judgment. But the enlightened nations of the world have already declared that they will not recognize a situation brought about by violence.

I now conclude my speech by once more emphasizing a few points in the policy of the Chinese Government in respect of the present situation.

Policy Outlined

(1) Neither the Chinese Government nor the Chinese people entertain the least anti-foreign feelings. However, in view of the present state of affairs produced by Japanese military aggression, it would be absolutely impossible for the Chinese people to express the most cordial and friendly sentiments to the Japanese people. It entirely rests with Japan herself to improve and restore the relations between the Chinese and the Japanese people.

(2) China will never surrender one inch of her territory nor any of her sovereign rights under stress of military force which she condemns and is determined to resist to the best of her ability.

(3) China will never agree to any solution of the present situation which takes into account the puppet organization in the Three Eastern Provinces established, maintained and controlled by the Japanese military forces.

(4) China is confident that any reasonable proposal for the settlement of the present situation will be necessarily compatible with the letter and spirit of the Covenant of the League of Nations, the Anti-War Pact and the Nine-Power Treaty as well as with China's sovereign power and will also effectively secure everlasting peace in the Far East.

Nanking Comment on Uchida's Speech

In commenting on Count Uchida's speech in the Diet last week, the official *Central Daily News* (Nanking) had a leading article Aug. 28 in which the opinion was expressed that the purpose of the speech of the Japanese minister was two-fold. First, to pacify domestic pressure for a positive policy in Manchuria, and second, to attempt to prevent the coming international interference of Japanese recognition of "Manchukuo."

The article lamented the fact that Count Uchida had signed the anti-war Paris Pact and Nine Power treaties and now made a public pronouncement which championed armed force. The belief was expressed that the Japanese foreign office is at present entirely under the control of military officials similar to the days before the war in the case of Germany.

It pointed out that after reading Count Uchida's speech the Chinese people should realize that the dispute between China and Japan cannot be settled by speeches. In conclusion the article said, "We should watch what steps Japan will take before the recognition of Manchukuo and we should study what action we should take to prevent the realization of such Japanese recognition."

Model Area to Be Created in Northwest

Plans have been drafted by the Forestry and Reclamation Administration of the Ministry of Industry for the creation of a model area in the North-west. In a communication to the Hopei Provincial Government, the Ministry of Industry requests that the rich forests at Tungling, northern Hopei, be adequately guarded against theft and unauthorized cutting. Regulations have been drafted and forwarded to the local authorities.

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Canton Militarists Remain Loyal to Chiang Kai-shek

(From the Review's Canton Correspondent)

Canton, August 26, 1932.

CERTAIN retired and influential Kuomintang politicians who have been residing in Hongkong and Canton for some months awaiting opportunities to secure military support from General Chen Chi-tang to start another independence movement against the Nanking Government have again been disappointed in their latest political activities. When Wang Ching-wei, Chairman of the Nanking Executive Yuan, resigned from the latter portfolio recommending to the Government the dismissal of Marshal Chang Hsueh-liang this group of Kuomintang politicians above mentioned received the news with jubilation believing that with the resignation of Wang Ching-wei they could find new excuses to denounce their opponents in Nanking. These politicians watched the Nanking developments and the Kuling conference between General Chiang Kai-shek and Wang Ching-wei with the greatest of vigilance and some of them even suggested inviting Wang Ching-wei to return to Canton to organise another independent government similar to the movement in May 1931.

Canton's Military Party

But to start such a big movement the politicians found it necessary first to approach the military authorities headed by General Chen Chi-tang, who is the real power in South-western China since the time when Marshal Li Chai-sum abdicated years ago. General Chen Chi-tang, the Commander-in-chief of the Cantonese armies ruling some 80,000 men under arms in Kwangtung and Kwangsi, is a most conservative and steady commander whose vast experiences with the Chinese military affairs has convinced him that to support such an independent movement would mean the expenditure of huge sums. Numerous regimental commanders in Kwangtung have been pressing the South-western Government for funds during the last few weeks complaining that the anti-Communist expedition contingents which fought the bandits in southern Kiangsi were four months in arrears in their remuneration to the soldiers and officers.

In this connexion General Chen Chi-tang has resolved to issue government bonds worth thirty million dollars to defray the huge expenses involved in the Kiangsi expedition. About $2,000,000 worth of bonds has been issued, but in this time of adverse business conditions the government will be facing a most difficult task if the financers and merchants decline to support this issue. Although the South-western Government in Canton is in the favorable position to draw a monthly revenue from Canton alone amounting to $7,000,000, the anti-Communist expedition and the recent aviation administration reorganisation and rebellion of Admiral Chen Cheh's gunboats required the immediate expenditure of at least a few million dollars.

Thanks to the loyalty of his subordinates General Chen Chi-tang succeeded in reorganising the aviation administration by ousting Commander Chang Wei-cheung while the suppression of the rebellious gunboats in Hainan Islands in Southern Kwangtung was carried out with equal success.

Chen Chi-tang in Supreme Control

To many observers the suppression of the gunboats in Hainan means the military and personal triumph of General Chen Chi-tang who now controls all the Kwangtung armies, the Navy and the air forces. Following the recapture by General Chen Chi-tang's troops of Hainan Island the Canton Government had taken the precaution to effect drastic changes in the Naval School and Aviation Training School, which are both under government management. Some 100 students of the Naval School were dismissed because they were found to be sons or relatives of former naval officers who deserted their posts with the Government and followed Admiral Chen Cheh to Hainan and Hongkong.

Certain teachers in the Naval School and the Aviation School have met with the same fate. At one stage the air officers in Canton were so dissatisfied with the Canton Government that ninety per cent of them left for Hongkong. But since the surrender of all the gunboats in Hongkong and Hainan to General Chen Chi-tang many of these air officers returned to this City.

The $5,000,000 bonds issued by Commander Chang Wei-cheung, who quarrelled with General Chen Chi-tang by siding with Admiral Chen Cheh, have been officially cancelled by the Government, despite the fact that these bonds were issued not in the name of Commander Chang Wei-cheung but in the name of the Canton Aerial Force with a view to securing money to buy new aeroplanes for the Force. General Chen Chi-tang will issue a new set of bonds shortly which the public will be asked to invest, in, or rather will be obliged to, for they must be subscribed for by the business firms, the amount they will have to pay being determined by their capitalization as shown by the business license.

Kuomintang Politicians Disappointed

According to friends of the Commander-in-chief in Canton, the latter often expressed the opinion that although the Air and Naval Forces had been reorganised it might take weeks or even months before military stability could be restored in this Province. Both Admiral Chen Cheh and Air Force Commander Chang Wei-cheung, who quarrelled and lost their case suffering defeat, at least politically, at the hands of General Chi-tang are still residing in Hongkong and lately these officers have been seen going together with Sun Fo. There is not the least doubt that the hundreds of officers who looked for support from the two leaders, will come back to this City to try to oust the power of General Chen Chi-tang when the right moment comes along.

Consequently when the news of Wang Ching-wei's resignation reached here and when powerful members of the South-western Political Council including Messrs. Chow Lu (Chancellor of the Canton Sun Yat-sen University) Teng Tse-ju and Hsiao Fu-cheng (the trio who sponsored the independence movement in Kwangtung in 1931) strongly recommended the Government to start a similar movement, General Chen Chi-tang urged them to wait.

General Chen Chi-tang undoubtedly perceived that any military changes in Kwangtung might give his former political colleagues in Hongkong an opportunity to effect a come-back.

Gen. Huang Shao-hsiung's Mission

Meanwhile the majority of the divisional commanders under General Chen Chi-tang including General Tsai Ting-kai, the Nineteenth Route Army Officer (who administers the Fukien region) are among the most stubborn believers in the entirely elimination of internal strife and in the formation of a concerted and united front against foreign aggression. Because of this when General Yu Han-mo, the first lieutenant of General Chen Chi-tang, who was directing the Northern Kwangtung anti-bandit expedition heard of the resignation of Wang Ching-wei and persistent rumours of the Kuomintang politicians and Hu Han-min's followers' activities in recommending another independence movement he hurried back to Canton to hold a conference with the Commander-in-chief.

General Yu Han-mo incidentally is a close associate of Wang Ching-wei and he was in a much better position to judge the motives leading to Wang Ching-wei's resignation. General Yu explained to the other Canton generals at the conference aforementioned that the President of the Executive Yuan resigned not because of disagreement with the Nanking government but his unselfish action was taken, because, the leader of the Kuomintang Lefitist Party fully realised that the one way to save the Manchurian territories was for the Nanking government to maintain direct control of military affairs in North China. Such an improvement can only be effected through the retirement from active politics of General Chang Hsueh-liang.

Simultaneous with the Canton conference General Huang Shao-hsiung, Minister of Nanking Home Affairs and formerly the popular Military Governor of Kwangsi, arrived in Hongkong and he also explained at considerable length to General Li Tsung-jen (Kwangsi Troops Commander-in-chief) and General Chen Chi-tang's representative who interviewed him in Hongkong that Wang Ching-wei's resignation was purely inspired by patriotic motive and his strong desire to see the dispatching of relief parties to Jehol. Unofficially it is learned that Wang Ching-wei also explained to the southern leaders through his envoy that th elast thing he would like to see by the Southern Government was an independence movement. Wang Ching-wei's desire to maintain internal peace at any cost was confirmed when news came this

(Continued on page 18)

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Japanese-Manchurian Controlled Economics

(From the Review's Tokyo Correspondent)

TOKYO.—The Tokyo *Nichi-Nichi* says in its August 19 issue that the perfection of the controlled economics of Japan and Manchukuo has been most earnestly hoped for by their Goverments. With a view to unifying its system of weights and measures Manchukuo despatched Mr. Takahashi to our country. He is now consulting about it with the authorities of the Department of Commerce and Industry and the Department of Overseas through the good offices of the S. M. R. and Kwantung Government. It is reported that with a view to facilitating future commercial transactions between the countries, the Manchukuo authorities have decided to adopt the same system as is now in use in our country, and have approached both Mitsui and Mitsubishi for the purchase of a considerable number of weights and measures.

Economic Conflict Between Japan and Manchuria Must Be Composed

Kikujiro Takashima, Directing Manager of the Ohji Paper Mill of Tokyo publishes his view through the August number of the *Jitsugyo-no-Nippon:*

"Manchuria has hitherto been regarded as the first line of our national defence, but I would consider it rather as that of industry. We must not forget that both Japan and Manchuria rise and flourish through their mutual assistance. I learned during my six years' stay in Manchuria, it abounds in coal, iron and salt but is devoid of any industry on a large scale; it is after all a land of agriculture and should develop as such. Besides endeavoring to increase the amount of agricultural produce and make the soil a good supplier of wool and wheat, of which we have great need, we must see to it that our industrial products are consumed by the inhabitants.

"Some calculate that under controlled economics its industries should be developed so that it may grow up as an industrial country. But, considering its scantily provided capital and poor technical knowledge this is a wrong policy in that it presupposes the exclusive use of service of Manchurians at the expense of the Japanese settlers. There are again some who endorse the idea of conducting a new political and economic control over Manchurians. This, too, is a mistaken idea. They cannot be governed in the Japanese way with its peculiarly complicated regulations, because they have been used to lead a life of self-help and self-protection quite free from the influence of political changes and quite unlike the Japanese who grew up under the thorough-going protection of the Government. The best way contemplated is none other than "governed without governing"—to leave them alone to govern themselves according to their own traditional customs and manners, not forgetting, however, to lose sight of the fundamental side.

Inseparably Close Relations Through Mutual Advantage Are Essential

Yosuke Saito expresses his opinion through the September number of the *Central Review* (*Chuo Koron*), the gist of which follows.

On several occasions the writer has referred to the fact that Manchuria is Japan's life-line and here again he finds it necessary to repeat it as a prelude. It is true that there are a number of causes to the present national economic depression, such as, for instance, continued overproduction after the War, general world business inactivities, etc., but it is also true that among those numerous causes there is one which is peculiar to Japan and that is no other than the heavy increase of population. If the rate of increase in the population is kept up for a hundred years to come the population will double itself and thus create a scene of cannibalism. This is unthinkable.

It is nearly hopeless to seek outlet for surplus population by means of immigration and it is nearly equally nonsensical to resort to birth-control. The best and the only way is to promptly convert Japan into a great industrial country that would absorb overflowing population.

The number of laborers employed by industrial concerns within the country is estimated at less than 2,000,000, or one-thirtieth of the entire population. In spite of this, the statistics shows a yearly increase of imports of raw material. As an industrial country Japan might consume several times as much material as it does at present. Most of this material is now coming from advanced industrial countries or from their dependencies. In case, as is most likely the case, a keen competition arises in the disposition of manufactured goods they would grudge to supply Japan with the material of competition, or, still worse, they might discountinue sending it altogether. Under such untoward circumstances in which Japan finds itself, it must seek for suppliers elsewhere and free itself from the constant menace of possibility of its fortunes being at the mercy of industrial policies of those advanced countries. Of course it is a matter of impossibility to try to avoid buying all the materials from those countries and their dependencies, but at least for some of them Japan must find a safer source of supply. Manchukuo is most likely to satisfy this condition.

To rely upon Manchuria for the material for Japan's home manufacturing industry would seem egoistic. But, in view of the fact that Manchuria's undeveloped resources would, otherwise, be left as they are today, and for thirty or fifty years to come, it would be as big a boon to Manchuria as it would be to Japan.

Then, as already ennumerated, what would benefit Japan is the possibility of solving the problem of overpopulation by means of its developed home industry. If this industry be started in Manchuria instead of being developed in Japan, it would prove beneficial to the natives instead of helping Japanese laborers; patriotism could not long keep the enterprisers indifferent to their losses.

Next comes the question of the controlled economics of the two countries. There are, it is said, some who maintain the establishment of one single unit. According to their idea the economics of the two countries should be controlled as if they were one country. This is a matter next to impossible. What necessitates the control of economics of both countries is no more than the desire for distribution of benefits that accompany the principal industries now existing or expected in Japan. Therefore, it is almost nonsensical to try to place any and everything under one single economic unit.

It is true there are quite intimate relations between them, but they are different countries all the same. Different countries have different economic systems and economic customs, which, are almost beyond the human power to manage unless their old customs and manners are to be sacrificed. Thus, this extreme measure is an obvious failure.

The essential factors for the healthful growth of the controlled economics of the two countries are mutual understanding and determination. In this connection it must be stressed that egoism is what the Japanese must carefully avoid, because they are by nature prone to do business according to their own taste, putting every trifling affair under their own direct supervision. In carrying into effect the controlled economics utmost care should be exercised to this direction.

To sum up, between the two countries inseparably close relations must be established through mutual gains. Herein lies the raison d'etre of the controlled economics of the two countries.

A Private but Concrete Plan

Seiichi Kojima, Japan's foremost critic on economics expresses his concrete view through the *Yomiuri Chimbun* and the *Economics* published on August 15. The following translation is from the latter.

"It is very much regrettable that in connection with the import of Fushun coal an existence of contradiction has been brought to light in consequence of the lack of an established policy regarding economic development of Manchuria.

"Under such deplorable circumstances, we are afraid that the enthusiastic preparation for the Manchurian exploitation which is now going to be started might be very much inconvenienced by the possible appearance of influential capitalists who are easily overruled by quick, temporary profit. If such be the case, there might be no hope for conquering during the great economic crisis that confronts us, to say nothing of making a phenomenal stunt in Manchuria. We believe development of Manchurian resources contributes an important material to turn our national industry in a more positive direction. The majority of our compatriots are, undoubtedly, of the same opinion. Consequently, therefore, none can foretell that a continuance of such a state of standstill may not lead to a great disappointment on the part of us Japanese—ending in a serious social mishap.

"The time is now fully ripe for us to establish a rationalized policy for developing Manchurian resources and to

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bravely put it into practice in a systematic and authoritive way. The Government authorities cannot escape a charge of irresponsibility if they are really unable to do this.

Fundamental Policy for Developing Manchurian Resources

"What we call squeezing policy often resorted to by colonial administrations, must be eliminated in order to establish economic unity between Japan and Manchuria.

"Bringing the two countries under unified economic activities and taking a wider view of things in this connection we must establish in Manchuria new industrial enterprises that harmonize with natural, social and historical conditions of the economic domain, and develop them in a short space of time.

"It is imperative to endeavor to lower the barrier of customs tariff as much as possible, so that it may prove helpful to our economic aggrandizement and pave the way to customs union.

"Side by side with the industrial Promotion of Manchuria, a wholesale rational change in our home industrial circle is required. It must not be permitted to have recourse to an artificial method of aimlessly trying to prolongate the life of superannuated enterprises in consequence of focusing attention on the well-being of home industry.

"By mobilizing home capitalists and under the guidance and control from the national point of view, a broad way must be cut open before them for their systematic advance.

"The development of natural resources of Manchuria must carried out in conformity to a systematic plan based on state control. This, however, does not mean to deny the existence of free private undertakings.

"As a means of speedily bringing about economic unity between the two countries the gold standard system must be established as promptly as possible.

How to Control Staple Industries of Manchuria

"Manchukuo should be encouraged to employ its positive efforts towards the healthful promotion of public enterprises while on our part no endeavor should be lacking in giving assistance.

"Japanese-owned well-established undertakings of a large scale, such as those of finance, railway, coal, iron, power, mining, forestry, and chemical and machine industries of special importance must be placed under the control of a special committee.

"The undertakings under the direct control of Manchukuo should be subjected beforehand to careful co-investigation of both the committee and Manchukuo, thus, ensuring perfect relations between them.

"The control referred to above does not indicate state control, that is, direct control by the government officials. Semi-official or private undertakings are rather more preferred than government enterprises, and to them state interference would do no good except instructions in respect to the basic policy and general supervision.

"For the development of the aforementioned basic enterprises, a state trust or cartel must be fully utilized, and the production and sales must be put under strict, authoritative supervision.

"Both Manchukuo and Japan are in duty bound to give positive protection and encouragement to the financial and other aspects of the basic industry in order to safeguard its powerful growth."

"There Its Nothing to Worry About"

The *Japan Times* publishes in its issue of August 17 the opinion of Yosuke Matsuoka, a noted diplomatist, who has just returned from a tour of inspection in Manchuria. The following is his view on the question of controlled economics.

"In the first place, there is nothing to worry about regarding the finances of the new nation. The Manchukuo Government authorities are surprised over the good results of their revenues. Roughly speaking, Manchukuo's revenues during this year, will, it is estimated, reach the 80,000,000 yuan mark, and this amount will easily increase to 100,000,000 yuan if conditions become more stabilized.

"The fact that Manchukuo enjoys a favorable trade balance also adds to the financial stability of the new nation. As for the condition of the currency, the Central Bank was established on July 1 and has since issued 145,000,000 yuan in an attempt to readjust the old bank notes.

"The currency problem is thus gradually being solved since the organization of the Central Bank, and with the approach of the season of shipping the staple products of Manchuria, I think the financial situation in Manchukuo will continue to become more and more favorable.

"In the second place farming is being carried on by the natives with a surprising disregard for civil disturbances or hostilities. This is probably due to the peculiar nature of the Han race. They are engaged in planting their crops quite undisturbed by bullets.

"Investigations by the S. M. R. and other bodies invariably estimate that the farm crops in Manchuria will be only between 5 and 15 percent less than in an average year.

"In the fifth place, some observers express misapprehension lest the popular sentiment in Manchuria should become unfavorable for the Manchukuo Government, but I have found that such misapprehension is hardly warranted.

"In this connection I am convinced of the urgent necessity of establishing a system of controlled economics between Japan, which is a manufacturing nation, and Manchukuo, which produces materials, because the recent world tendency looks towards the extension of the scope of economic activities among the nations. This will help relieve the economic depression in Japan, which is partly due to the fact that the scope of economic activities of Japan is too small."

CANTON MILITARISTS REMAIN LOYAL TO CHIANG KAI-SHEK

(*Continued from page 15*)

week that he had returned to Nanking to participate in the work of the Central Political Council.

Military Stability in the South

Judging by the latest developments and amity among the government departments which are all administered by close associates of General Chen Chi-tang it seems most confident to predict that Canton will remain loyal to Nanking and Chiang-Kai-shek for some times barring the most extraordinary changes. The recent co-operative measures between General Chen Chi-tang's troops and Chiang Kai-shek's regiments under General Chen Chen in the elimination of the 100,000 Communist bandits invading southern Kiangsi and northern Kwangtung afford further proofs of the Nanking-Canton harmony.

Recent Floods Cause Heavy Loss to Chinese Eastern Railway

Information received from towns on the western line of the Chinese Eastern Railway reveals that the population of many places was ruined by the recent floods; their domestic animals and fowls were drowned, and their crops ruined. The whole of the area on both sides of the railway line between the station of Metaitse and that of Bukhadu was one immense lake of water, so that the distance between the two stations, about 270 kilometers, could be covered in a boat. Because of the inundation and the fighting around the railway line the Chinese Eastern Railway is suffering great losses. According to a statement made recently by the President of the Directorate of the Railway Li Shao-ken the daily proceeds of the Railway are such as to give a deficit of $40,000 per day.

Floods in Japan

As a result of torrential rain August 26, 70 houses were washed away and 1,000 houses inundated at Nakatsumachi, Gifu Prefecture, Japan. The whole town was plunged into darkness as a result of the power station being flooded.

Japanese Army Bugler Hangs Himself Because He Blew Wrong Call

A strong feeling of responsibility prompted Tsuruoka, private belonging to the Akabane Suppers Battalion, to commit suicide by hanging in a primary school in Shibanemura, Gumma Prefecture, Japan. He blew the wrong call on his bugle at a recent field day. The battalion went to the River Tone for a bridge coustructing practice. Tsuruoka was the trumpeter assigned to the battalion, when Divisional Commander General Hayashi went there for inspection. Instead of blowing "General" he blew "Change the Guard." Taking the mistake to heart, he ended his life by hanging. Notes left to the Battalion Commander and his father were found in which he expressed deep regret for the mistake adding, that he had made up his mind to apologize for it by death.

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Aviation in China

BY WALTER K. S. CHANG (張慎德)

HAD there still been any people who entertained the least doubt about the importance of aviation, they were certainly disillusioned during, or at least after, the World War. Since then, all the Powers have mobilized a great deal of their money and efforts in the struggle for supremacy in the air, while every minor state, not even excepting Poland and Siam, has striven hard enough for the expansion of its aviation both as a weapon for national defense and as a means of communication. But here in China, it is regretful to relate, the progress made along this line has been tardy, very tardy indeed. All the military planes owned by the central and provincial governments were estimated last year to be something between four hundred and four hundred fifty; and out of these more than 50% were stolen by the Japanese when they occupied Mukden last September. The Ministry of Communications can boast of no more than two air service corporations; and even these are merely joint enterprises of the Government and American and German interests.

Thanks, and no less curses, to the recent Shanghai warfare in which the invading Japanese troops worked great havoc with Chinese lives and Chinese properties by virtue of heavy bombardment, and gained a decisive advantage over the Chinese armies by means of the same weapon, the Chinese people, and probably also the Chinese government, are forced to the conviction that if commercial aviation is indispensable to the facilitating of communications with far-off and otherwise inaccessible regions, military aviation is still more urgent in defending our country against foreign aggression. As a consequence, the cry is now loud enough to save our motherland by means of aviation development, and many people have rushed to make contributions for the purchasing of airplanes. It was only a few weeks ago that five planes were sent to Canton, and later to Gen. Tsai Ting-kai, Commander of the famous 19th Route Army, by the oversea Chinese who made it clear that the planes are to be used only for the purpose of national defense. More planes would surely have come in but for the internal strife breaking out recently between the two Chens in Kwangtung, which, needless to say, has discouraged to a great extent the enthusiasm of the people in general and the oversea Chinese in particular.

The First Flier in China

In 1909, six years after the first successful hop in America by the Wright brothers (Orville and Wilburn Wright), an aeroplane, the first of its kind to appear over the Chinese territory, hovered around Shanghai. Unhappily, the debut was ended in an accident which resulted in the death of the French aviator, M. Vallon. The following year, another plane steered by a Russian airman flew over the old capital Peking, much to the astonishment and delight of its residents who turned out as one man to see the flying machine.

Meanwhile, the revolution under the guidance of the late Dr. Sun Yat-sen was fast maturing. To insure their victory over the royalist army, the revolutionary generals ordered two aircrafts from Austria. However, when the planes reached China the next year, there was no occasion for their service, as the boy emperor, Pu Yi, who is now the leading puppet of the Manchurian Puppet Government, had abdicated from the throne and a republican government had been ushered into existence. The airplanes were then turned to more peaceful purposes. Some hops were taken by Lee Jui-yen, an English returned student, over and around Shanghai whereupon some public interest was aroused. One year later, that is in 1913, the residents at Nanking were overjoyed to behold them flying over the city for several rounds. Months after that they were brought to Nanyuan, Peiping and transferred to the newly established aviation school which bought one dozen more I planes and turned out, in the course of five years, more than a hundred and fifty graduates.

In 1915 when China had entered the Great War, Mr. Lee submitted to the government a memorial the gist of which is as follows:—

"Since distance has rendered it very difficult to dispatch to the Ententes any large quantity of troops, it is both expedient and advisable to send in their stead an air squadron to Europe. For this we may ask them to supply us with planes and experts that will help us greatly in the task of training the necessary forces and developing at the same time our own aviation enterprise."

But either because Yuan Shih-kai, the then president, was too much engrossed in his intrigues to revert to the monarchical form of government and himself become monarch, or he had failed to see any benefit to be gained from the development of aviation, Mr. Lee's project fell flat.

The First Attempt to Introduce Commercial Aviation

It was not until 1920, the ninth year of the Chinese Republic, that the government began to direct some attention to air service and for the first time schemes were formulated by the Ministry of Communications for the introduction and development of commercial aviation. Five air lines were presently fixed, namely (1) the Peking-Shanghai Line, (2) the Peking-Kwangtung Line, (3) the Peking-Szechuen Line, (4) the Peking-Kulun Line, and (5) the Peking-Harbin Line. It was decided to start with the first, the Peking-Shanghai Line. In April of the same year, a trial flight was made between Peking and Tientsin. Exactly one year later, following the establishment of the Aviation Bureau which was then under the jurisdiction of Kou Wu Yuan but was later transferred to the control of the Ministry of War after the formation of the National Government, an aviation company was organized by the Bureau which offered its service, on every Tuesday, Thursday and Saturday, to any person having a mind to get a bird's eye view of the beautiful scenery of Peking. Many people availed themselves of the opportunity and, after paying a few dollars, enjoyed a thirty-minutes-travel in the air. In the same summer, the line between Peking and Peitaiho was opened. The journey cost $75 and took nearly two hours. For several years, the line kept running and was once extended to the Great Wall.

Another and a better trial hop between Peking and Tientsin was launched in May, 1926. It started from Peking at 9:40 in the morning and reached Tientsin at 12:40 in the afternoon, bringing with it several mail packages. The plane returned to the capital with as much speed the same day and brought back as many mail packages. Evidently the government was encouraged by the public interest it had aroused on the occasion, and after some three months the air mail service between Peking and Tsinan was inaugurated. The enterprise, however, was shortlived. For civil war soon broke out and before long the Peking government was overthrown. On the other hand, the new government, not being firmly seated in its saddle until years later, was too much engaged in its consolidation work to dart even so much as a side-glance at an enterprise of which it did not stand in urgent need.

Development of Military Aviation

Although no further efforts were made by the government in the direction of the development of commercial aviation, no stone was left unturned on the part of some provincial governments in the promotion of military aviation. The first and most successful was the Three Eastern Provinces. Ever since 1922 when Marshal Chang Tso-lin, the undisputed ruler of the Northeast, had received a crushing defeat at the hands of Marshal Wu Pei-fu, then the most powerful warlord inside Shanhaikwan, he bent all his energies to expanding his armament which finally enabled him to take his revenge three years later. Besides an annual expenditure of $30,000,000 incurred in the arsenal, he spent no less than $10,000,000 every year to maintain the Aviation Bureau which had, until the Japanese occupation, some two hundred fifty aircrafts, one military aviation school and an aerodrome as wide as 200 mou. The Marshal's elderest son, Chang Hsueh-liang, was made concurrently commander of the air forces, director of the aviation bureau and principal of the aviation school.

Next came Kwangtung where a similar bureau and a similar school were, and are, maintained, though it cannot boast of so many planes. Apart from these, the Shansi, Yunnan and Fukien provincial governments did not permit themselves to be left much behind, each of them possessing from twenty to forty planes. At the same time, the National Government has not failed, during the past four years, to expand its air armament which now consists of a squadron of some eighty planes, four aerodromes and two aviation schools.

Notwithstanding the dead silence of our air forces during the Sino-Russian Conflict in 1929 and the Sino-Japanese War this spring, their services rendered in internal strifes dated as far back as July 1926 when the revolutionist army started the northern expedition. The occupation of Changsha and the recapture of Nanchang

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were all indebted, to a great extent, to the service of scouting machines which had been able to pry into the secrets of the enemy's strategic points and watch the movements of their contending forces. Later when the expedition pushed into Hupei, the scouting and bombing machines were largely instrumental in bringing about the crowning victory at Tingszekiao which dealt a fatal blow to Marshal Wu Pei-fu, and the siege of Wuchang which resulted in the surrender of the military governor of Hupei. It was also by virtue of the air squadron that the revolutionist army marched triumphantly into the present capital Nanking. On the other hand, the advance of the Kouminchun was more or less checked at Pengpu and Suchow by the activities of the Northeast air fleet rushing to the aid of General Sun Chuan-fang, the ousted ruler of Kiangsu.

In 1929, the country witnessed three civil wars. No one was fought by the government but aircrafts took part in it. The most signal deeds occurred probably in the Chiang-Feng Strife, the climax of a long string of disputes between the President and the Christian General. All urgent orders and high military officers were carried to the front line by airplane; and the government troops occupied Loyang only after heavy bombardment which put the Northwest soldiers to rout.

In the summer of last year, the government air forces had another opportunity to prove their efficiency in the bandit suppression campaign in Kiangsi launched under the personal command of Gen. Chiang Kai-shek. The big offensive lasted five days, from July 23 to 27, during which more than one dozen scouting and bombing machines were mobilized. When the bandit stronghold at Tungkushan was taken, most of the buildings and defense works were found to bear the marks of the handwork of bombing planes.

Something That Is of More Interest to Us

But what gave us more interest and deserved, as it still deserves, our closer attention were the exertions made by several individuals who all had the same laudable motive at heart,—to promote and develop the air service in China. In December, 1928, Chang Huai-chang, Director of the Kwangtung Aviation Bureau, made a hop on the plane "Kwangchow" between Canton and Hankow. From thence he proceeded to Nanking, Peiping and finally Mukden. It took some twenty-two hours for the completion of the whole journey and no accident occurred. Shortly afterwards, Chen Chin-yun, Assistant Director of the Kwangtung Aviation Bureau, took another long flight with the plane "Chukiang." He started from the provincial capital, passed through Shanghai, Hangchow, Nanchang, Hankow, Kweilin and then returned, safe and sound, to the province. Following also very closely on Mr. Chen was Liu Pei-chuan, Commander of the Yunnan Air Forces, who succeeded in flying from Canton to Kunming (Yunnan) within ten hours.

At the top of all these came Chen Wen-lin, a German returned student specializing in the aviation course. He surprised and delighted his countrymen by arriving at Canton in March, 1929, on his own flier "Amoy," after having started from London, visited Greece, Persia, India and many other countries. The whole journey covered more than ten thousand miles and it took some seventy days.

Besides, one thing is also worth mentioning. Some two months before Mr. Chen's Eurasian hop, the Kwangtung Airplane Factory completed its manufacturing of the plane "Yangcheng," while almost simultaneously the Hungkiao Airplane Factory at Shanghai put out the aircraft "Success No. 1." Their speed were said to be one hundred miles and seventy miles respectively. The materials with which the planes were manufactured were all domestic ones, with the possible exception of the aeromotor which was imported from Europe.

Two Aviation Corporations

It was at this conjuncture that the China National Aviation Corporation, originally known as the China Aviation Co., was formed. It is a joint enterprise between the Chinese government and the American Aviation Development Co., with a capital of $10,000,000 of which the former contributed 55% and the latter 45%. In June of the same year, 1929, navigation was formally begun with the Shanghai-Nanking section which is a part of the first of its three air lines, the Shanghai-Chengtu Line, the Nanking-Peiping Line and the Shanghai-Canton Line. In October it was extended to Hankow and later to Chungking. The second air route, the Nanking-Peiping Line, was opened on 15th April last year. It now only takes seven hours to go either between Shanghai and Hankow, Hankow and Chungking, or between Nanking and Peiping, being from seven to twenty-eight times quicker than the train and steamship services between the above places.

Although there is no prospect that the Shanghai-Canton Line will be opened within the next few months, it has been decided to start within the shortest possible period another route between Hankow and Lanchow (Kansu) so as to connect it with the Peiping-Lanchow Line of the Eurasia Aviation Corporation.

The Eurasia Aviation Corporation, formed through an agreement between the Chinese government and the Deutsche Luft Hansa, was established in May, 1931. Its capital was $3,000,000, the Chinese government investing two-thirds and the German firm one-third. Its main purpose is to develop the air communications between the capitals of the two countries, Nanking and Berlin. But the task at first was very difficult. One of its planes was, and still is, detained last summer by the Mongolian authorities when on a trial flight from Shanghai to Manchouli, a line the Corporation designed to open first. It descended by mistake on Mongolian territory. Two months later, another trial hop was made at Taonan, Mukden when the Japanese stepped out and interfered. Now that there was practically no use to try any more in that quarter, it abandoned its original plans and opened instead another line between Nanking and Sian (Shensi), which was inaugurated on April 1 this year and was very soon extended to Lanchow. The length of the whole line is about 1,500 kilometers, the time needed being some twelve hours as compared with twenty days which it formerly took.

The tolerable success which the Corporation has met with in its business has encouraged it to extend the air route to Sinkiang Province. This, it is stated, will be realized as soon as the necessary quantity of gasoline and other kinds of supplies have been transported to the province. As to the completion of the whole line between this country and Germany, much time seems to be still needed on account of the fact that understanding has not yet been reached between the Corporation and the Soviet government, through whose territories the line has to pass.

Necessity of the Establishment of Weather-stations

But whatever may be the purpose, commercial or military, the development of aviation must go hand in hand with the adequate establishment of observatories and weather-stations. In America where navigation in air is now just as common and safe as that on either land or water, weather-stations are established every sixty miles along the air route and weather reports are sent by wireless to all flying planes every three hours. It is largely due to the lack of such equipments that air travel in China is still looked upon as a dangerous thing. Last November, for instance, the mishap at Tangkiachwang, Shantung, of the plane "Tsinan" (of the China Aviation Corporation) was caused by a heavy fog which might have been averted had there been a timely warning from the weather-stations.

According to the opinion of Tsu Ku-chin, Dean of the Nanking Observatory, the whole country may be divided into ten areas, in each of which one observatory ought to be established together with three first class and ten second class weather-stations; as for the third class weather-station, every hsien ought to have at least one. This is of course a plan which we can in no way hope to realize in the ten or even twenty years to come. But safety of navigation needs, and needs very urgently, at least one weather-station at every big town through which the planes of the two Corporations are now passing; for however expensive may be the upkeep of the station, losses sustained in accidents are certainly much more costly.

Haimen, Chekiang, August 29, 1931.

Extensive Road Building Planned in Manchuria

A recent telegram from Changchun stated that a gigantic plan of constructing trunk highways extending over 30,000 kilometres and branch roads extending over 60,000 kilometres throughout Manchuria has been drawn up by the authorities of the Manchukuo Government as part of its constructive program to be executed within the coming few years. A Government Road Building Bureau is to be established to supervise the work. It is announced that Mukden, Changchun and Harbin are to be made the three centres of the entire highway system in Manchuria with Changchun as the main center.

62-026

Diamonds Are Smuggled Into China in Large Quantities

The *Shanghai Times* of August 30 in a long article intimated that two foreign dealers in diamonds in Shanghai are being closely watched by the Customs authorities on suspicion of being connected with an extensive organization which has been smuggling diamonds into China during the past year. A huge seizure of such smuggled diamonds was made recently by the Shanghai Customs, and it will be remembered that several months ago a local auction house held a large sale of diamonds on instructions from the Customs authorities, these representing a similar huge seizure of diamonds made almost half a year ago. China now has a very high duty on diamonds with the result that smuggling has become rampant. It was because of a similar situation in the United States several years ago, when the Smoot-Hawley tariff with generally increased duties was drawn up, that the duty on diamonds was reduced by half, so as to lessen the incentive for smuggling. Diamond smuggling is most difficult to detect. Smugglers of diamonds have been known to successfully pass the customs barriers by the simple process of swallowing them.

Lytton Commission Members Returning to Europe

Lord Lytton was due to arrive in Shanghai end of this week to take passage on the Italian liner *Gange* for Europe. He will be accompanied on the trip by Dr. V. K. Wellington Koo, Chinese assessor to the Lytton Commission, who will proceed to Paris to assume his new post as Minister to France and will proceed from the French capital to Geneva.

Three other members of the League of Nations Commission of Inquiry, Dr. Heinrich Schnee of Germany, Count Luigi Androvandi Marescotti of Italy and General Henri Claudel of France were scheduled to depart from Peiping on the night of September 1 on their return journey by way of Siberia.

According to reports appearing in the Chinese press, China is submitting 27 separate memoranda to the League of Nations, 20,000 copies of which have been printed in different languages. These will be dispatched from Peiping to Europe in 25 cases.

Lytton Report Will Contain 100,000 Words

The Report of the League of Nations Commission will be a voluminous document of not less than 100,000 words. Owing to the size of the document, Commission circles deem that the earliest time at which the Report can be available for delivery to the Council of the League of Nations is the end of September, when a provisional edition might be ready without annexes. The League has connections with several printing firms at Geneva and Lausanne and it is expected that the work will be

Shanghai Syndicate to Lend Funds to Complete Hangchow-Kiangshan Railway

A Hangchow telegram states that a loan agreement between the Chekiang Provincial Government and a financial syndicate at Shanghai for the completion of the Hangchow-Kiangshan Railway has been drafted and will be brought up before the Provincial Government Committee for confirmation. In order to obtain the necessary funds for the completion of that Line, the Provincial Authorities, after protracted negotiations, have agreed to transfer control of the Hangchow, Yashih, Yuhang, and Szean electric works to the financial syndicate as security. Li Ming, General Manager of the Chekiang Industrial Bank at Shanghai, is acting on behalf of the syndicate.

Ford Scheme to Help China Roads Rumored in Nanking

Nanking is discussing an interesting rumor which, though unconfirmed, is detailed, concerning an alleged proposal from the Ford Motor Co. of a "Ford Scheme" to help highway construction in China. The plan provides for a "highway loan" by the company, with payment of moderate interest plus extensive Ford car purchases for use on the new roads, it is said. In view of Henry Ford's known interest in extension of highways in all parts of the world, some credence is being given the report, says the *United Press*.

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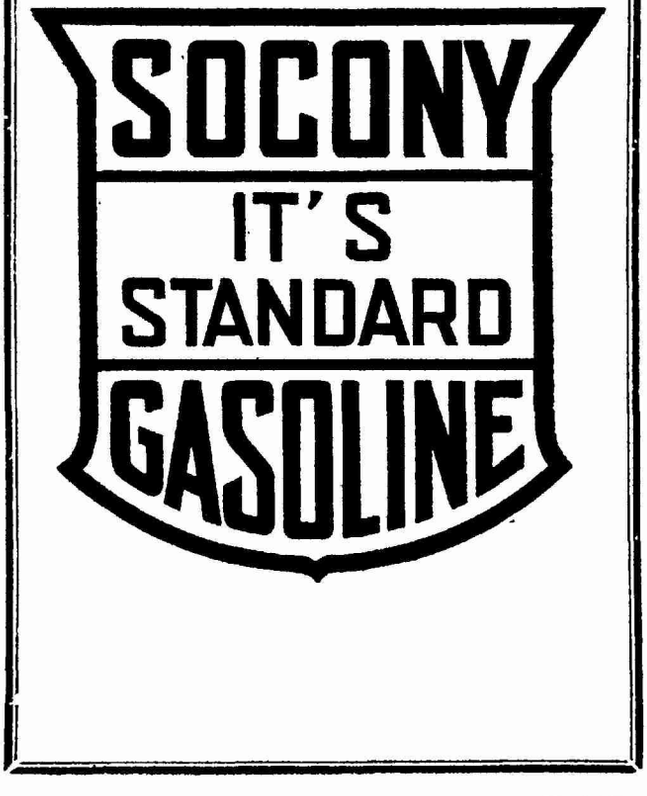

Will Marshal Chang Hsueh-liang Redeem Himself?

BY PAUL K. WHANG (汪仲芳)

THE Wang-Chang comical farce, so to speak, which has been enacted on the Chinese political stage since August 6 for no other reason than to provide some fun for the world spectators, will be soon transformed into a first class tragedy if the actors concerned are persistent in giving their time and attention to bickering to the exclusion of vital political matters. In times of peace, when we are craving for something spectacular to amuse our weary and monotonous life, a battle of words between two political leaders together with their charges and counter-charges may not be altogether unwelcomed. But when our national existence is being endangered in the face of foreign invasion, any personal feud among the government leaders, no matter how comical is its development, can not bring smiles to our sad-looking faces, without tears in our eyes.

The whole show is really comical enough, if we do not turn our thought to its tragic aspect. After more than twenty days of quibblings, we are back where we were before. Wang Ching-wei, until recently President of the Executive Yuen, resigned on August 6 in order to force Marshal Chang Hsueh-liang, Director of the Peiping Pacification Headquartres, to resign too. After his resignation, he secluded himself in some unknown place at Shanghai, from which he later emerged after the persuasion of Gen. Chiang Kai-shek and others, and fled to Nanking and Kuling to confer with other government leaders on his resignation and other political affairs. In spite of the national crisis, Mr. Wang was adamant in his resignation. The latest report has it that T. V. Soong, Minister of Finance, has been authorized to act on behalf of Mr. Wang, while the latter will remain in Nanking to take charge of the affairs of the Central Political Council, which is reponsible for formulating general Kuomintang and national policies.

Marshal Chang Remains at Peiping

On the other hand, Marshal Chang, the co-star of the present comedy, in response to Mr. Wang's request, resigned from his office of the Directorship of the Peiping Pacification Headquarters, and his resignation was accepted by the Nanking government. At first, the Young Marshal announced his readiness to go with his big family to France where a villa had been especially secured for him, and was even quoted as saying that he might take some courses at either Cambridge or Oxford. Later, when he was on the point of bidding adieu to his Fatherland after farewell speeches had been delivered by him to his subordinates in highly patriotic terms, he suddenly changed his mind and forgot his scholastic ambition, and, as reported, he will remain at Peiping indefinitely. In the meantime, fifty-seven Northern militarists, in a joint telegram to Nanking, intimidated that they would resign *en bloc* if the Young Marshal was permitted to leave his post. From Japanese sources it has even been reported that a new movement for the separation of North China from Central and South China has been launched by military leaders sympathizing with the Young Marshal. Thus below the surface, the political situation in North China has been getting more complicated with the lapse of time. In order to arrest any further development of the northern political situation, Gen. Chiang Kai-shek has requested Marshal Chang to act temporarily for him as Chairman of the Peiping branch of the Military Affairs Commission.

Face-Saving Devices

As a result of the disputes between Mr. Wang and Marshal Chang, China has been deprived of a government and faced with a grave political upheaval. The government leaders, who should give their undivided attention to the critical problems arising from the foreign invasion, have been busily engaged in seeking some face-saving devices by which the present farce may be ended instantly to the satisfaction of both disputants. While means are still being sought to settle the family squabble, the Japanese, who have been habitually fishing in troubled waters, have launched fierce attacks along the Jehol border since August 20, and occupied Nanling without much trouble. Encouraged by their initial success, the Japanese militarists have naively predicted that they will occupy the whole of that province in ten days. In face of the Japanese invasion, Gen. Tang Yu-ling, the governor of Jehol, has dispatched urgent telegrams to Nanking and Peiping asking for material assistance.

Who will respond to the urgent appeals of assistance, when the resignation of responsible military and political leaders has *ipso facto* brought the government machinery to a complete halt? At Peiping, the resignation of Marshal Chang has left North China without a military and political leader, although he is still the dominant figure behind the stage. For obvious reasons, he is content not to accept any new appointments from the Nanking government, so as to escape from further charges if anything happens to Jehol in the next few days. What effective measures Mr. Soong, the recently appointed acting President of the Excutive Yuan and his colleagues have in mind to save Jehol have not been disclosed. When the center of turmoil is far away, it is not expected that the Nanking officials will actually send material assistance to the defenders of Jehol besides paying some lip service.

The news of the Japanese invasion of Jehol did not take us by surprise, because it has been heralded more than one month. If our responsible military leaders are sincere in their deeds as in their words, they have had enough time at their disposal to strengthen our frontier to meet this expected attack. But with the lapse of more than one month, our position has been still left unfortified. It is doubtful whether Gen. Tang Yu-lin with his eight brigades of poorly equipped soldiers can successfully defend Jehol, and even more doubtful whether he "will resist to the last man." If no material assistance is rushed to him, it is more than likely that Gen. Tang whose allegiance hitherto has been a question mark will throw in his lot with the Japanese puppets.

National Hero Wanted

At this hour of desperation, the whole nation is awaiting impatiently the emergence of a national hero who will answer the call of the nation and follow the glorious examples of Generals Ma Chan-shan and Tsai Ting-kai in defending China's territory. An old Chinese saying has it that "A national hero is created by circumstances." Circumstances have already won world fame for Generals Ma and Tsai, and therefore will confer the same honor upon other generals who can render an equally great service to their country at this time of crisis.

Has Marshal Chang Hsueh-liang a mind to redeem himself from his past misdeeds? If he has, he should not let the present opportunity slip through his fingers. Human memory is so short that the people will soon forget his misdeeds and proclaim him a national hero if the Young Marshal will lead his army to the defending of Jehol. Thus by one single stroke, he will be able to regain popular favor and popular support. Moreover, it must be said that the Young Marshal has more reasons to fight against the Japanese than any other military men: His father's death has not been revenged, his lost territories have not yet been recovered, and his present position has been endangered. In his recent speech before his subordinates, he said, "If my service is needed by the country, I shall instantly answer the call and sacrifice everything I have for the purpose of serving it." If he really means what he says, he should immediately emerge from his retirement and rush to the first line of defense without any hesitation.

If he is not sure of the financial support of the Nanking government, he can count upon the people. On more than one occasion, the people have contributed spontaneously and generously to the funds raised for the support of the valiant fighters against the Japanese. They donated millions of dollars to the defenders of Tsitsihar, they contributed more than ten million dollars to the 19th Route Army, and they are now still sending money to the North-Eastern Volunteers. Although their means are not inexhaustible, their sense of duty and their feeling of patriotism have both inspired them to do their share as citizens of their beloved country. Thus once the Young Marshal is on the firing front, he can rest assured that the people will never turn a deaf ear to his appeal of financial support.

If he deems his vast army is not yet big enough to check the on-slaughts of the Japanese, he can also count on the people. China has no lack of patriots who are ready to surrender their lives for the sake of their country. Many went to Tsitsihar last winter to serve under the banner of Gen. Ma's army, many came to Shanghai this spring to fight side by side with the 19th Route Army, and many are still going to Manchuria to disguise as

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volunteers to recover our lost territories. Although their efficiency as fighting men may be discounted by their lack of experience, a few weeks of training is all that is necessary to transform them into first class fighters. Thus once the fighting is actually going on, the Young Marshal will find himself surrounded by Chinese patriots who will come to his aid from every corner of the world.

Chang's Chance to Redeem Himself

With the assurance of reinforcements in the form of money and men, Marshal Chang has no more reasons to sit on the side lines to watch developments. Though his resignation has been accepted by the Nanking government, yet he can hardly disclaim his responsibility if anything happens to Jehol. The people will never forgive him and the history will record him as a "traitor," if he does not act at the present psychological moment, possibly the last chance in his life to redeem himself.

In the meantime, we hope that Wang Ching-wei, whose resignation was allegedly caused by his dissatisfaction with Marshal Chang's policy of non-resistance, should withdraw his resignation and help the government to decide on urgent measures to meet the present critical situation. His insistence on resigning himself from the high government office at the height of national crisis can not help China to offer effective resistance against the foreign invader, but on the contrary will only make the people suspect that he has created a pretense to shirk his responsibility. When the national existence is endangered, all the military and political leaders, if they are genuine patriots, should sink their personal prejudices and come together to present a united front against a foreign enemy.

Shanghai, August 29, 1932.

Japanese Want Publicity on Outside Roads Issue

At various times during the past several months there have been hints that negotiations have been going on between the Foreign Settlement of Shanghai and the local Chinese authorities concerning the policing of the Municipal-owned roads extending beyong the Settlement limits. It was recently announced that the terms of an agreement had been arrived at, subject to confirmation. However the contents of the agreement have never been made public. It has been known all along that the Japanese are opposed to making any concessions on this matter of outside roads, and the Japanese community are now becoming insistent that the draft agreement shall be made public. A Japanese spokesman, quoted by the *Press Union*, said it is generally understood that it provides for the transfer of police duties on extension roads to the Chinese authorities, an arrangement which vitally affects the interests of Japanese in general. The inclusion of such an important change in the administration of the Municipal Council alone should entitle the draft agreement to be given publication for the benefit of the Settlement residents, the Japanese spokesman declared. Continuing, he asserted that before any definite approval be given to the draft agreement by the respective consular representatives, the contents should be made available to the ratepayers and full consideration should be made on the subject.

The Japanese are also urging the convocation of a special Ratepayers' Meeting to deal with the matter.

Shanghai May Tax Amusements to Raise Hospital Funds

Acting upon the proposal of the Hospital and Nursing Services Commission, the Shanghai Foreign Municipal Council in the near future may impose a tax upon theaters and other places of amusement in the International Settlement in order to help meet the financial stringency with which the Council is confronted. The report of the commission points out that the imposition of an amusement or entertainment tax would offer a practical relief measure.

The commission has completed its comprehensive investigation into the hospital and nursing services of the International Settlement. The commission recommends that the Chinese Isolation Hospital be transferred to the building now known as the Foreign Isolation Hospital; that a hospital be erected on the Island Site at Great Western, Tifeng and Bubbling Well Roads to be named the Western Fever Hospital, which shall admit patients of any nationality who are prepared to conform to the hospital regulations.

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62-029

The "Life and Death" Question for Japan

To the Editor, *The China Weekly Review*:—

Various prominent Japanese officials in responsible positions have recently told the world that Manchuria is a "life and death" question for Japan. Which probably means that if Japan has not the material resources of Manchuria at her disposal, Japan will have to die. This kind of reasoning reminds one forcibly of the famous reply given by Louis XIV of France to somebody who told the king that he had to live. Whereupon the king remarked: "Je n'en vois pas la necessitée," which means quite simply: I do not see why.

When Japan proclaims that her increasing population necessitates the domination of Manchuria, China might be allowed to put forth exactly the same claim. Statistics have recently been published, showing that Japan's population at present increases with about two individuals per hour. That is of course very good for the growing armies of the Japanese warlords, but somehow or other these two babies per hour have to be fed, and that can evidently only be done by aggression against neighboring countries. Judging from the latest published trade reports, and from accounts of conditions in the rural districts of Japan, these efforts have however lamentably failed, and the babies are starving.

Corresponding figures regarding the overpopulation of China are actually lacking. It is however well known that there these things regulate themselves. The babies are born all right, probably at the same rate as in Japan, but if the family can not feed them, they are simply left to die. It would in this connection be interesting to know many of Manchuria's thirty millions—those who according to Japanese statements have so eagerly appealed to the friendly neighboring army for protection against their oppressors—have been either killed on the battlefield or driven from their homes, or died of starvation thanks to the activities of the same friendly army. The Manchukuo authorities will certainly never publish any figures in order to enlighten a curious world about this insignificant detail, but it is at any rate to be presumed that the enthusiasm of the much advertised thirty millions has been somewhat dampened by the benevolence of the Japanese Army.

Japan may well be proud of her achievemnets during the last fifty years. But she—or at least her ruling military caste—is entirely lacking one thing, and that is selfcriticism. They are exactly like the old Jews who regarded themselves as God's "chosen people," or the Quakers in America or the Germans before the great war. They can do nothing wrong. All lies and subterfuges they use are justifiable simply because they help to attain the common goal, which in this case is nothing but the domination of the world. All the more civilized nations in Europe and America seem now at last to have realised that they are members of a great community of mankind where everybody has a right to live his own life. But this fact is evidently not understood in Japan. Here is not the place to discuss the various stories of Captain Nakamura or the broken rails at Pei Ta Ying or Henry Pu Yi and his Manchukuo and other fairytales which have been supplied to the world during the last year. It all comes back to the same question: Has Japan any more right to live than China?

From a neutral point of view the reply to this question must be most emphatically: no. The Japanese—as a race—are neither mentally nor physically superior to the Chinese, which fact they probably will in their heart of hearts even acknowledge themselves. Their only superiority lies—at present—in better organization and better armament, and for this reason and none other they consider themselves having the right to ride roughshod over all solemnly concluded international treaties and to give the League of Nations' Commission a slap in the face, telling the members of this august body quite plainly: We do not care a hang what you people say or do; our policy is fixed long ago.

When therefore Japan persists in telling the world that she must have an "independent" Manchuria in order to live, it is a great pity that there is nobody in the world, who has the same authority as the old French king, and could say: "Je n'en vois pas la necessitée." NEUTRAL.

Peiping, August 27, 1932.

62-030

Nanking Journal "Warns" South China

The usually well informed Nanking Chun Kuo Jih Pao, in an editorial printed August 25 disclosed startling developments in South China. The gist of the editorial is printed below:

"In order to offer resistance to external aggression," the paper states, "unified control of China's political and military affairs is essential. Prior to Chang Hsueh-liang's resignation, there was a political triangle in this country, with North China and South China acting almost independently of the Central Government at Nanking. Only Wang Ching-wei's vigorous opposition and his resignation resulted in the handing over of military affairs in North China to the control of the National Military Council. Although the Peiping Branch Political Council has not been abolished, many members of the Council are designated by the Government, and there are at present no indications that the Central Government's orders will not be followed. Furthermore, with the military power in North China in the hands of the National Military Council, there will be no opportunity for any undesirable military leader to foment trouble there.

Political Intrigues

"On the other hand," the paper continues, "the situation in South China remains unchanged. The Central Government has no voice in military affairs there, and the South-West Branch Political Council continues to manipulate in political intrigues. While expressing their stand for resistance against Japanese aggression certain members of the Central Executive Committee and Central Control Committee of the Kuomintang are quietly watching developments in Hongkong and Canton. They are merely waiting for an opportunity for new political moves. South China's campaign against the Communists in Kiangsi has been loudly proclaimed in the press. As a matter of fact, Cantonese troops are now concentrated at Tayu and Nanhsiung, in Shuthern Kiangsi. Despite urgent requests by the Government Cantonese troops refused to advance farther north.

What Mr. Hu Thinks

"According to private Hongkong dispatches, the South-West Executive Committee of the Kuomintang recently sent Messrs. Teng Cheh-ju and Chou Lu to Hongkong to interview Hu Han-min. In personal letters addressed to General Chen Chi-tang and General Li Tsung-jen, Hu Han-min expressed the belief that the time had come for fresh developments in South China. Hu, however, pointed out in his letters that he would agree to proceed to Canton only on condition that the military leaders in South China would take orders from him. General Chen and General Li both were of the opinion that since Canton was hard pressed financially and at a time of national crisis, it was unwise to rebel against the Central Government at Nanking. The proposal of Hu Han-min and the South-West Executive Committee of the Kuomintang was, therefore, turned down.

Nanking's Shortcomings

"It must be admitted that the present Government at Nanking has its shortcomings. Among them, lack of talents and divison of power may be mentioned. If all political and Kuomintang leaders will only come to Nanking to discuss jointly measures for national reconstruction and all decicions are made in accordance with the wishes of the majority, the prestige of the Kuomintang will be increased and improvement in the present political situation will be rapid.

"The present attitude of many leaders, which is like watching a fire across a river, is highly deplorable. While they refuse to give active assistance, they stand aside and make irresponsible criticisms. Such an attitude weakens the confidence of both Kuomintang and non-party members in the ability of this Government to administer the nation."

The paper concludes with the remark that if South China continues to foment trouble, the future of China cannot be viewed without the most serious apprehension.

Thirty-four Banks with Deposits of Yen 140,000,000 Suspend Business in Japan

In the course of question time in the Japanese House of Representatives August 27 the Government reported that a total number of 34 banks are suspending business temporarily throughout the country. The total amount of their deposits is approximately Yen 140,000,000.

Chinese-American Arbitration Treaty Ratified

The Legislative Yuan at Nanking last week ratified the Chinese-American arbitration treaty negotiated at Washington June 27, 1930, by Dr. C. C. Wu, then Chinese Minister to Washington, with Col. H. L. Stimson U. S. Secretary of State. The text of the agreement is reported in Chinese newspapers at Nanking to be as follows:

"Preamble.—The Chinese and American Governments, for the prevention of a rupture of peaceful relations between the two countries and for submitting all arbitrable disputes to arbitration, and establishing examples against war as an instrument of international policy and using peaceful means of settling a dispute over international agreements and permanently removing the threat of war between nations, have, therefore, concluded the Arbitration Treaty. The Agreement has been signed by Dr. C. C. Wu and Colonel H. L. Stimson, the accredited representatives of the Chinese and American Governments.

"Article I.—For any dispute arising between the two countries over treaties and not able to be settled by diplomatic means or by the permanent International Committee established in accordance with an agreement signed at Washington on September 15, 1914, a special agreement shall be concluded for the establishment of an arbitration body outlining the latter's organization, scope and subject of dispute. The Agreement is concludable in accordance with the Chinese Constitution and, on the part of America, by the American President with the approval of the United States Congress.

"Article II.—The following are disputes which are not applicable to this Treaty:

"First, questions relating to the domestic affairs of the contracting parties. Second, questions affecting the interests of a third party. Third, questions affecting the United States Government's attitude towards affairs in North and South America (which is governed by the Monroe Doctrine). Fourth, questions affecting the Chinese Government's obligations to the League of Nations.

"Article III.—The Treaty is in the Chinese, English and French languages and ratified in accordance with the Chinese Constitution and the President and Congress of the United States. In case of a difference in interpretation, the French text will prevail. Ratification will be exchanged on the earliest date in Washington, when the Treaty comes into effect. The Treaty is terminable upon one year's notice by the party wishing termination."

Hainan as an American Naval Base?

The ratification of this agreement came practically at the same time as Japanese reports that negotiations were proceeding between China and the United States to least Hainan Island in South China as an American naval base. This Japanese report was officially denied by a Chinese spokesman at Nanking, where officials pointed out that Hainan Island has already been designated as a special administrative district and there is no intention to make it a naval base.

Eurasia Mail Plane Crashes in Kansu Province

The airplane of the Eurasia Aviation Corporation, which left Peiping on August 25 to establish a new mail route to Europe, crashed 200 miles beyond Lanchow, the Kansu capital, August 26. The occupants of the 'plane, Herr Wilhelm Schmidt, Manager of the Corporation, Captain Lutz, the pilot, and a Chinese Director of the Eurasia Aviation Corporation, are believed to have escaped without injury, but the plane is reported to have been wrecked. The plane which was wrecked is the one which made a successful flight to Urmchi, Sinkiang, last December. Its present destination was Semipalatinsk. It had been intended to inaugurate a regular service between Shanghai and Tachen, Chinese Turkestan, by September 15. Travellers to Europe, it was proposed, would fly to Tachen or Semipalatinsk and then make a 16 hours' motor run to the nearest spot on the Siberian Railway.

Shanghai-Hankow Plane Falls Into River

An airplane flying from Shanghai to Hankow fell into the river at Chinkiang, August 26 because of engine trouble. No harm, however, befell the three Chinese and one foreign passengers aboard. The plane was towed by a customs launch to the wharf of the China Merchants Steam Navigation Company where repairs were rushed. The machine took off for Shanghai the same afternoon.

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62-031

Men and Events

The death occurred in Tokyo, August 29 at the age of 80 years of General Ando, retired. He was a veteran of the Russo-Japanese war.

The death occurred in Los Angeles August 30 of David Lawson, who several years ago was advertising manager of the *China Press*.

The Chilean Legation in Shanghai announces that it has moved to 400 Avenue Haig, where Carlos Becerra, Chilean Charge d'Affaires, also resides.

Ho Shao-ding, proprietor of the Shing Shun Kee firm of general contractors, was kidnapped August 30, as he was leaving his home on Rue Bourgeat, Shanghai.

A group of over 140 students from various middle schools of Shanghai proceeded North during the week to volunteer for military service in defense of Jehol against Japanese invasion.

J. B. Powell, editor of the *China Weekly Review*, and correspondent of the *Chicago Tribune*, is convalescing at the Shanghai Sanitarium from a combined attack of dysentery and para-typhoid.

A 29-page pamphlet describing the Oriental Library of the Commercial Press before and after the destruction by Japanese planes in Chapei on February 1, has been issued by the Board of Directors of the library.

Lo Ying-kwan, the former Director-General of the Chinese Eastern Railway, has been appointed Mayor of Harbin. The appointment was officially announced by the Manchukuo Foreign Office August 29.

The new Japanese Minister, Mr. Ariyoshi, is due to arrive in Shanghai from Japan on September 4. Itaro Ishii, the recently appointed Japanese Consul General in Shanghai, is due in Shanghai September 10.

Among the cases pending at the U. S. Court for China is a claim by P. Chiaet, a former member of the staff, against the *China Press*, who claims a month's salary ($400) in lieu of notice when he was dismissed.

Kao Ting-tzu, Secretary of the Ministry of Education, has been appointed concurrently Director of the Department of Social Education. He succeeds Li Cheng who was recently appointed President of the Peiping Normal University.

The resignation of General Chang Chi-chung, from his substantive post as Commander of the 5th Army has been formally granted by the Executive Yuan. The 5th Army took a gallant part in the Sino-Japanese conflict at Shanghai.

Sun Fo, former president of the Executive Yuan, delayed his return to Shanghai from South China for several days owing to the illness of his mother. He was due to arrive in Shanghai end of this week by the Dollar liner *President Grant*.

In view of the latest invasion of Jehol, Chinese residents in Hawaii have despatched a telegram to the League of Nations urging that every effort be exerted to restrain further Japanese atrocities in Chinese territory, according to a message received from Honolulu.

The Executive Yuan at its regular seting at Nanking August 24, decided upon the appointment of Li Ssu-wang as member of the Board of Trustees for the Administration of the British Boxer Indemnity Refund to fill the vacancy left through the death of Cheng Chen-chun.

The engagement is announced of Miss Thea Meyer, eldest daughter of Vilhelm Meyer, head of Andersen, Meyer & Co., Ltd., to Count Caj Ahelefeldt Laurvig, eldest son of Count P. Ahlefeldt Laurvig, Danish Minister to the Court of St. James, and for many years Danish Minister to China.

The China Transport & Storage Co. Ltd., of Shanghai, has filed a suit in the U. S. Court for China against L. Everett, Inc. (Leonard Everett and William P. Hunt) also of Shanghai to recover sums allegedly illegaly debited and withheld by defendants while acting as manager agents for plaintiffs' lighterage, storage and trucking concern.

The death occurred recently of Ah Ling, the Chinese steward who was with Admiral Dewey at the battle of Manila Bay, and who for years afterwards served as Admiral Dewey's personal servant at Washington, D. C. The funeral services were held in Shanghai August 29 according to the Buddhist rites, followed by the reading of the War Veterans ritual by Chaplain Joseph H. Brooks of the Fourth Marines at the chapel of the Cantonese hospital. The deceased was one of the charter members of the Shanghai Camp No. 1 of the Spanish American War Veterans. He was born in Shanghai of Cantonese parents 60 years ago. He is survived by three sons, a wife, and several sisters.

Who's Who in China

Shen Tso-ling, consular official; born at Soochow, Kiangsu, 1889; received his Chinese education in his native city and was known in his early age as a scholar in Chinese literature; after his graduation from the Higher Normal College, Soochow, he passed the Imperial examinations and received the degree of Chu-jen; went to Russia for further study and was graduated from the Russian University with M. A. degree; since 1912, he started his diplomatic career; first served as Secretary to the Chinese Consulate General at Vladivostock; after a short period, was promoted to student Consul in the same Consulate, later became vice-Consul and acting Consul-General, he continued to serve in the said Consulate for 13 years with-out interruption; following which he was appointed Consul at Troiz-kosavsk 1925: Consul at Nicosk Ussury 1926; Consul at Verkhne Udinsk 1927-1929; after the severance of the diplomatic relations between China and Soviet Russia 1929, he was recalled back to China by the National Government and served in the Ministry of Foreign Affairs, Nanking; he was appointed Consul at Medan, Sumatra, 1930, which position he now holds; previously he also held the following posts: Chief Secretary to the Chinese Government Representative on the Inter-Allied Supervision Committee for the Siberian and Chinese Eastern Railways; Chinese Government Representative on the Inter-Allied Military Transportation Board for the Inter-Allied Supervision Committee; Chinese Government delegate on the Purchasing Sub-Committee for the Inter-Allied Supervision Committee; Adviser to the Director General of Sino-Russian Treaty Negotiations; Adviser to the Board of Mongolian and Tibetan Affairs, etc.; address: Chinese Consulate, Medan, Sumatra.

Shen Tso-ling

申作霖字鳳章

申作霖字鳳章，年四十歲，江蘇吳縣人，幼入私塾，後畢業于蘇州高級師範學校，旋入京應試膺選舉人，繼赴俄留學入俄國大學得文學碩士學位，一九一二年被任駐海參崴中國領事館秘書，旋升任隨習領事，繼又升任副領事及代理總領事，在俄各地任領事職前後共十三載，一九二九年中俄絕交時，被調回南京外交部任事，一九三〇年被任駐蘇門達臘中國領事，現任斯職，前此曾任西比利亞鐵路及中東路國際監察委員會中國代表秘書長，國際監察委員會軍運處中國代表，國際監察委員會採辦處中國代表，中俄條約委員會顧問及蒙藏委員會顧問等職，通訊處：蘇門達臘，中國領事館。

British Ship Confiscated for Landing Greyhounds at Non-Treaty Port

The old German ship *Hilde Hugo Stinnes* now flying the British flag and renamed *Ballshead* has been confiscated by the Chinese Customs authorities on the ground that the ship, under the command of Captain Angus, on a recent trip from Australia landed at a non-treaty southern port a hundred or more greyhounds. The ship thereby violated the provisions of the original Sino-British treaty, and also brought greyhounds into the country, which is forbidden by law. The ship is being advertised by the Customs to be sold at auction September 16.

President Chang Says No Bandits in Hupeh North of Yangtsze

A Hankow telegram reports that the Left Wing Bandit-suppression forces under Generals Ho Cheng-chun and Hsu Yuan-chuan captured the enemy's Sankuantien-Lichiawan-Yingchiawan line on August 26 and are now facing the brigands across the river. Four gunboats and one torpedo boat have been patrolling along the Patachou-Chienli section of the Yangtsze River as a precautionary measure against the crossing of the bandits to the Hunan border. The 10th Army under General Hsu Yuan-chuan has organized a squadron of light armored patrol boats to suppress the marauders in the Hung Hu (Lake) region.

Speaking at the weekly momorial service at the Commander-in-Chief's Headquarters at Hankow General Chiang Kai-shek reported on the progress of the bandit-suppression campaign in Hupeh province. All districts north of the Yangtsze River in Hupeh had been recovered, he said, thanks to the energetic efforts of the Bandit-Suppression forces. Continuing, General Chiang stated that the second step, namely, the institution of rehabilitation measures and the restoration of peace and order in the newly captured districts, was being initiated.

Soldiers of the 25th Routh Army are to render assistance to the farmers in the harvesting of their autumn crops, according to an order issued by General Liang Kuan-ying, Commander of the 25th Route Army now garrisoning Shucheng in central Anhwei. General Liang has ordered that each battalion assign at least thirty men to help the farmers in the work of reaping, transporting, or other farm labor. They are to be self-supporting and should, under no circumstances, demand food or remuneration from the farmers; nor must they make themselves a nuisance to the community in general.

A Gambler Who Paid $10,000 for Protection in the French Concession and Didn't Get It

The sad state of affairs in the French Concession of Shanghai in connection with gambling is further revealed by a paragraph in the *Shanghai Sunday Times* August 28 which stated that two foreigners are under police surveillance following a complaint made to the authorities of the French Concession by a Chinese of the merchant class, who alleges that he has been defrauded of $10,000 by two foreigners, one of the whom, he claimed, posed as a high French consular official in Shanghai, who he says received the money.

The Chinese, it is learnt, has filed a criminal charge against the foreigners alleging that they had got the money out of him to pay the "high official" for permission to operate a gambling resort in the French Concession. One of the two foreigners, it is alleged, posed as the official in question and received the money. The other foreigner, according to a statement made by the Chinsse, then joined him in operating the gambling house which was situated at an address on Rue Ratard. Unsuspectingly, it was alleged, the Chinese opened the resort, secure in the knowledge that he would not be disturbed by any nocturnal visits of the police. The latter, however, descended suddenly on the place recently and arrested the Chinese who was brought before the First Special District Court and charged with being the conductor of the house. In court, he vehemently declared that he had been duped and defrauded. According to his complaint, he had not the least doubt that he had paid the $10,000 to an official whose name was mentioned to him, as the accused who posed as the official was in military uniform when the money was handed over.

General Chang Hsueh-liang Still a Power in Peiping

The regulations providing for the organization of the Peiping Branch of the Military Commission have been drafted and have already received the approval of General Chiang Kai-shek, the Chairman of the Commission. A point to be noted in 2nd Article of the regulations is that the members of the Central Military Commission are authorized to attend and lead the Peiping Branch Commission. This means that General Chang Hsueh-liang, who is a member of the Central Military Commission, is able to assume the leadership of the Commission in Peiping. Thus it is to be noted, the much-talked-of resignation of General Chang Hsueh-liang, arising from the circular telegram of Wang Ching-wei, amounts to nothing.

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New Books of Interest in the Far East

An Eddy Lecture

The World's Danger Zone, by Sherwood Eddy. Farrar and Rinehart, Inc. New York. U.S. $1.

Sherwood Eddy, the ardent pacifist, has written a good resume of the events in recent months which center around the many-cornered conflict over Manchuria. His book is for the most part made up of information gleaned from newspapers and such reading and travelling as a man engaged in solving the world's problems by the spreading of good will might find time to sandwich in between numerous lectures. It is a competent piece of journalism, for all that. It contains certain observations which should be useful to the reader abroad in building up a background for following, with some intelligence, the future developments in the Orient as they will be cabled home in news dispatches to the American and European press.

Evidently *The World's Danger Zone* was written to round out a larger volume published by Mr. Eddy a few months previous to the outbreak of hostilities in Manchuria, with the title *The Challenge of the East.* The reviewer has not read that book; doubtless it reflects a maturer judgment and wider familiarity with social and political attitudes of Chinese than this supplement.

The author correctly comments that Japan, by invading Manchuria, has accelerated the progression Leftward in China. Japan "is driving China over the abyss into Communism," and into league with Russia. Mr. Eddy regards that as undesirable. He thinks the Communist menace (Mr. Eddy discovers many menaces in China) is greater even than Japanese militarism itself, and that the latter is particularly monstrous because of the radical turn it is giving to Chinese political thought.

The reader is frequently assured that Communism will bring about the collapse of China and result in mainfest evil, but it is somewhat disconcerting to find no concise reasons given for this opinion. It would be more helpful if the lecturer had examined conditions in the country to show why the Communist system is much more terrible a thing to contemplate than the regimes of recent years.

Some of his information is faulty, and one or two of his claims of personal adventure arouse skepticism. He observes, in connection with the temporary retirement of Chiang Kai-shek last December that "the man who succeeded him in the new government (Sun Fo) was both too weak and too rich to command confidence or support." Sun Fo is both weak and rich, but that was not why the coalition government collapsed. When the Chinese people are able to turn a politician from office for such amiable qualities as those, this will be a great country.

Mr. Eddy claims to have "visited the Communist provinces of Kiangsi and Hupeh," and on the strength of this statement gives first-hand descriptions of Communist regimes. What he means of course is that he went into Nanchang and Hankow, where Nanking government troops are stationed, and where Kuomintang officials furnished him data with which to compose his book. He did not visit any Communist cities, or he would not be writing about them now.

"On our arrival in a Chinese city from a train or boat," writes Mr. Eddy, "our luggage would be examined by Chinese students, boys or girls, to make sure we had no scrap of Japanese goods." That might be true, but the remarks immediately subsequent convey the idea that these students actually made a practice of seizing Japanese property from foreigners, or perhaps intended to destroy or confiscate any Japanese property Mr. Eddy might have possessed—which is highly inaccurate.

In a final chapter the reader is told what can be done about this world's danger zone. The author is sanguine that three courses of action, combined, will save China from Communism, save Japanese militarists from breaking their necks in Manchuria. He recommends: moral suasion, diplomatic pressure, and economic sanctions. We have seen the achievements of moral suasion and diplomatic pressure: Emperor Hirohito and the Japanese war vultures are not impressed.

What of economic sanctions? Mr. Eddy thinks that these should be used as "a last resort." That is rather strong from an eminent pacifist, who admits that "an economic boycott might lead to war." It is all the more puzzling because a few breaths earlier Mr. Eddy warns that "Whatever else we do, we must not be betrayed into war with Japan, which would be the height of futility and folly." Here is a real dilemma, the way out of which, the reader can only hope, will be more clearly stated in the next lecture by Mr. Eddy.

E. S.

First Impressions of Soviet Russia

This New Red Freedom, by Thelma Nurenberg, Wadsworth Press, G.$2.50.

It is with two kinds of regret that one lays down this interesting travel diary of an American newspaper woman in Red Russia—regret because the entire narrative has been absorbing, from her first exasperation with the clamoring, smelly crowds on the trains and "oriental" disbelief in the limits of time and space (particularly among waiters in restaurants) that is Russia, old or new, and regret because in the last few chapters she launches into an aborted but most provocative discussion of modern Soviet institutions and leaves the reader sort of breathless in midair!

Miss Nurenberg spent one year in Russia in a kind of pilgrimage, with occasional long stops at the principal cities. The first part of the book is full of travel troubles, of train and tramway jams that make New York's subway look sparsely populated, of the perpetual smell of the "great unwashed," of fascinated speculations as to what the people she sees are wearing for shoes wrapped about their feet, and of the helplessness of waiting, waiting, waiting at ticket windows, at hotels, at shops. For once at least the armchair traveler snuggles down into the upholstering and thanks God and Miss Nurenberg for getting the story by proxy. The second part is a series of well-written articles on Stalin, the Five-Year Plan, the "rigid Red Censorship" (which, incidentally, she says does not exist), courts and prisons, women and children, marriage and divorce, the church, and student life.

There is no indication that the author is a student of social science or that her concept of communism and socialism is at all scientific, which is perhaps fortunate in that it renders her first impressions sharply new and not blurred by preconceived sympathies with this or that theory, although one suspects that the significance of much that she saw and heard escaped her. However, this kind of narrative about Soviet Russia runs like a cool river of common sense between the misty mountains of Bernard Shaw eulogy and the poisoned swamps of prejudiced, unthinking criticism that has been coming from illiterate American engineers and their more illiterate wives (principally, I gather, based on the lack of milk and butter in this land of exile.)

Of real value in this book is the direct contact Miss Nurenberg was able to make with the Russian people, both because of a knowledge of the Russian and German languages and because of her real interest and genuinely sincere and sympathetic nature, which seem to have been "open sesame" to their confidence. Her short studies of the new Russian women and of the Communist Youth Movement reveal unusual understanding of their problems and it is to be regretted that Miss Nurenberg did not write at greater length on these subjects which she seems so eminently well qualified to discuss.

H. F.

A Revolutionary Who Became a Christian

The Young Revolutionist, by Pearl S. Buck. Friendship Press, New York, G$1.50.

Mrs. Buck has again written of China and of the China of the four hundred millions. But where her Pulitzer Prize-winning novel, "The Good Earth" was sweepingly universal, this volume is not significant, either as a study of youth or as a study of the new China. Perhaps it is the sentiment that causes one to smash the idol when he discovers evidence of its feet of clay which makes one relentless toward the author of "The Good Earth" who stoops to a kind of missionary proselytizing in this new book. In esteeming her as an artist, we forgave Mrs. Buck her "poor boy makes good" device in "The Good Earth," which lent interest and romance and made it a best seller, although it destroyed what might have been a true epic of China's peasant life. More important is the fact that whatever she may set out to do, the Western world owes her a debt of gratitude for making readable any interpretation and humanization of the Chinese people who have too long been considered by them as Alice viewed the people in the Land Behind the Looking Glass. Then too, in addition to being intensely human and vital, "The Good Earth" was a fine etching from the pen of an artist.

62-034

But "The Young Revolutionist" is not the work of an artist. It is the work of a propagandist dedicated to the cause of missionarism and under the rules of high literature it is outlawed. It is the story of a "young revolutionist" who finally finds what he seeks in the spirit of the Christian religion. It is the story of Ko-sen, son of farmers, who escapes from service in a temple in company with Fah-li, also a novice, and joins the army. There is a young captain (who might better have been the hero of a book of this name) who teaches him about the "revolution." He speaks of Sun Yat-sen, of the Three Principles of the People, of "love-country," and fires Ko-sen's heart with patriotism, although Ko-sen understands nothing of the ideas except the emancipation of women from having bound feet and the doing away with the wrong of the "idle and evil priests who frighten the people with calamity from heaven." They march to battle, smashing alike in iconoclastic fury the old gods of China and the new Christian institutions as they go. In the battle Ko-sen is sick at heart, and after the victory when he has lost eight of his young comrades and Fah-li lies near death, he feels only defeat and hatred. Fah-li is taken to a hospital by an angelic "Jesus-doctor" where he dies, but only after being tenderly cared for by the white "foreign devil" whom Ko-sen has been told to hate as his enemy. Ko-sen deserts the army and returns to his home. There the feeling of the "Christian" kindness of the foreign hospital people remains with him and he finally feels the urge to go back to them, and "under Jesus" to take service for his country.

It is a travesty on the dreams of new China that the hero of a book entitled "The Young Revolutionist" could find an answer to his ambitions in the far ideal of Christianity, which after two thousand years has not yet rid its own countries of wars, and whose countrymen have had not a little to do with the bloody turmoil and tragedy of China today-even as the passivity and peace teachings of Buddhism and Taoism have not been able to "save" China from her reign of terror.

"The Young Revlutionist" is in no wise an interpretation or study of the political "revolution" of China, nor of the economic, nor of the religious revolution. Perhaps it is not meant to be. Then our quarrel is only with the title on the jacket. It is, however, a story well-told and written with wholesome feeling against the barbarity of war and the stupidity of superstition. Perhaps any student of the Chinese people must be either a statistician or an evangelist of sorts.

The most delightful thing about Mrs. Buck's writing is her rhythmic Biblical style, so well adapted to a story in a setting foreign to the language in which it is written. A sort of gandeur of classic speech exalts her far above any of those who have yet endeavored to typify the Chinese in story.

It is truly hoped that the author of "The Good Earth," who has justly won the good-will of the critics and public alike, will not ruin her good name by defying the laws of good writing in a species of scarcely camouflaged propaganda, however sincere may be her belief in the value of the theme. H. F.

A Cross-Section of America

America as Americans See It. Edited by Fred J. Ringel. New York: The Literary Guild, 1932.

The author of this sprightly volume conceived the happy idea of having several score Americans contribute sketches of American life, the object being to put it on sale in Europe, but, when compiled, the book proved so interesting to Americans that it was decided to publish it on the Western side of the Atlantic first.

The only contributor not an American is Stephen Leacock, the Canadian college professor who spends his spare hours in writing light literature. He ends up the volume by saying that Americans are a queer people, because they can't either rest, read, drink, or play; at the same time they don't give a damn, don't need to. It is in a little of this spirit that the American reader should read this book, and particularly this review of it.

It is difficult to say whether the text or the illustrations are the more sprightly—a few of the latter are of a distinctly racy character. At any rate there are here presented a great many things about their own country that Americans ought to know, but don't. For example, under the heading of "Worshipping of the American Hero," Bruce Bliven says that at the height of his popularity Col. Lindbergh could not send his linen to the laundry as the laundry girls would steal, or tear up, his shirts as souvenirs. However, it occurs to this reviewer that he might have got over this

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ENSURE HAPPY HOLIDAYS

difficulty by sending his linen to one of the many Chinese laundries in America, where, at any rate, the wear and tear on the clothes is less than in the mechanized plants.

Americans generally live in cheaply-constructed houses, usually built by swindling contractors, but inside these houses there is a wealth of luxuries, pianos, radios, talking machines, etc., which Europeans cannot begin to equal. The Americans eat more and better food than any other people on earth, and that probably accounts for their efficiency in work. Life to the American generally, is a routine of work, sleep and a few highly standardized pleasures. The American is inured to the gospel of work, although of recent years with the advent of the motor car vacations are longer and hours of work less. But speed is still the ruling passion, even in making love. Men, we are told, in America make love to other men's wives, but in the same hasty preoccupied fashion as they make love to their own, so that whereas divorces and remarriages are frequent, owing to the force of circumstances and the swift tide of events, scandals are few. The Americans are democratic in politics, but aristocrats in the realm of business.

The Black and Red Americans

No cross section of America would give a fair picture, without mention of the Negro and the Indian. The word Negro is always spelled in the American newspapers nowadays with a capital "N"—the best proof that he has come up in the social scale. Many of them trace their ancestors back to early days, and take pride in it. The Negroes add to the business of the beauty parlors. White Americans go there, at least the female species do, to have a wave put into their hair. The Negroes go there to have the natural kink or wave taken out. In arguing the point as to the future of the Negro the question is asked as to whether there will be mingling of the white and black race. But as a matter of fact there has been much mingling. There are white people who call themselves Negroes because of an invisible drop of Negro blood and there are Negroes who call themselves white, ignoring or not knowing the fact that they had a great grandfather who was a black slave. Concerning the Indian little is told here that is not already known. His eventual fate is indicated in the heading of the chapter devoted to him, namely, The Passing American." The Puritans, we are told, were piously appreciative, remained amicable with the Indians as long as the fur trade throve in the interior of New England, then—time for the farmer's occupation to take root—polished up their flintlocks. Most striking in the diplomacy of the United States has been the high mortality of treaties of "perpetual amity and friendship" with the Indians.

Do the Americans go into sports for the fun of it? Not, at all. The *result* is what the public is interested in. Thousands go to see a baseball game to one that would care to play it. One of the few games that Americans really play instead of merely look at is golf which is the real national game, not baseball. Swimming is also more and more becoming popular, one of the few things that Americans do without the trace of a machine in the offing.

In the Realm of Literature

What do Americans read? Books to a certain extent, magazines mostly. Newspapers they certainly buy in profusion, but it can hardly be said that they read them. They merely look at them for a few minutes and throw them away. As regards censorship some funny things happen. Strange to say books have been passed through the Customs and censors, imported from abroad in English, yet banned when the same books came along in English or French. A book barred entrance in one port would calmly enter the country through another port. One of the rules of censorship of the movies is that women may not be shown dressing their hair.

Where the American shines is in advertising. We are told that beauty, health, learning and success are no longer the hard-won rewards of virtue, character, education and endeavor. They can be bought in the first drugstore or bookshop. Hand in glove with the advertising man is the publicity man, now dignified by the title of "counsel in public relations." Newspapers and magazines these days carry news and stories mostly as bait for the advertisers. Three-quarters of the revenue comes from the advertisers. The fake testimonial is one of the commoner tricks of advertising. Dr. Einstein on his visit to America was shocked with the propositions made to him. Be it said to his credit, he did not "bite." We are told that sick Americans need a good emetic. Nothing could be better for them than to throw up the corrupt advertiser.

G. W. M.

Yenching University Lectures

The Department of Journalism of Yenching University at Peiping has just published its first compilation of a series of articles and lectures delivered at the Journalism Weeks held by the University during 1931 and 1932 under the title of "Journalism Study Series." The volume is prefaced by Hing Wong, Dean of the Journalism Department, and Prof. F. Martin, visiting professor to the University from the Missouri School of Journalism. Mr. Martin's lecture "The Mission of Newspapers" leads the series. Among the lecturers are included a number of prominent Chinese journalists, such as Chang Heng-shui, the well-known novelist, of the *Peiping World Daily News;* Messrs. Hu Cheng-tsi and Chang Chi-lang, editors of the *Ta Kung Pao*, Tientsin; Ku Kung-cheng of the *Shun Pao*, Shanghai; Li Chung-yi of the *Peiping Morning Post;* etc. The leading topics include "The Future of Chinese Newspapers," "My Ideal Newspaper Enterprise," "Importance of International Publicity," "Chinese Plays and Newspapers," and a number of articles on the technical and business sides of the subject.

READERS of *The China Weekly Review who* may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*....If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, plus postage, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.

62-036

Chinese Bankers Pay Nanking Government Three Million Dollars

T. V. Soong, Minister of Finance, after having been in conference with the Shanghai bankers last week, proceeded by plane to Nanking August 29 to take up his appointment as acting president of the Executive Yuan. He was accompanied by General Tsai Ting-kai, field commander of the 19th Route Army, who is later proceeding to Hankow to confer with General Chiang Kai-shek.

Gen. Tsai Ting-kai is daily becoming a growing factor in China's politics. His trip to Hankow was made in order to discuss with General Chiang Kai-shek the question of adequate appropriations for the 19th Route Army during its present campaign against the Communists—a fact confirmed in an interview given out by General Tsai at Nanking before proceeding to Hankow.

As regards Mr. Soong's negotiations with the Shanghai bankers, *Kuo Min* quotes a Finance Ministry spokeman as follows: "The law governing taxation of banknotes promulgated by the National Government on August 1, 1931, provides that banks of issue shall hold 60% of their banknote reserve in specie, and 40% in approved marketable securities. The rate of taxation is laid down at 2½% on the 40% security reserve, while the specie reserve is, of course, exempt from taxation. The tax thus works out at 1% of the total banknote issue. The banks of issue, while recognizing the legality of the Government tax on banknotes, have been of the opinion that the rate of taxation is fixed too high in view of the disastrous effects of the recent floods and Japanese military aggressions. They therefore requested the Government to reduce the rate from 2½% to 1¼%. The attitude of the Ministry of Finance has been that, while the banks have no doubt been going through hard times, the difficulties of government finance must also be considered. While it would favorably consider a reduction of the tax rate in future, nevertheless, for the current year the law as promulgated should be fully applied. As a result of the representation, the banks of issue, which have on every occasion showed their patriotic desire to support the Government, have now paid the tax, which amounts to $3,060,000."

An editorial in the *Shanghai Evening Post* recently intimated that the object of the Finance Minister in bringing up the question of the tax on banknotes at this time was to use this as pressure on the banks to loan more money to the Government. Whichever way it turned out it will be noted that the banks have turned over to the National Government a little over three million dollars.

Withholding of Japanese Boxer Payment Still Under Consideration

Newspaper representatives who interviewed T. V. Soong, Minister of Finance, on the eve of his flight to Nanking, August 29, were told that the question of blockading the Manchukuo Customs was still under consideration but, so far, no decision had been reached upon the procedure to be adopted. Whether China would pay the Japanese portion of the Boxer Indemnity, or withhold payment in retaliation for the threatened withholding of Dairen customs revenue was likewiss under government consideration, Mr. Soong told the press. Although payment of Dairen customs revenue for June had eventually been made, so far the last month's revenue had not been forthcoming and it was due to this delay that the Nanking Governmeut considered holding up payment of the Boxer Indemnity.

British Boxer Board to Meet September 3

The 11th regular meeting of the Board of Trustees of the British Boxer Indemnity Refund is scheduled to be held in Nanking on September 3.

It is understood that the Standing Committee of the Board will meet on September 3 and the full membership of the Board will meet on September 5. All members residing away from the Capital have been duly notified.

Almost 2,000 Japanese "Foreign Office Police" in Manchuria and China

Three hundred and fifty Japanese policemen are departing from Tokyo during the early part of this month for various destinations in Manchuria, principally Harbin and Kirin. Their main duty is stated to be to guard Japanese consulate offices. At the same time, 120 are being brought to Shanghai, Tsingtao and Tsinan. Thus, the number of Japanese police acting directly under the Foreign Office has been brought up to a total of 1,900.

In the United States Court for China

In re.
Estate
of
MORRIS HIRSHORN
Deceased

Cause No. 3466
Special Proceedings No. 794
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of MORRIS HIRSHORN, deceased, to present the same with vouchers to the undersigned on or before February 27, 1933, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

DONALD E. ROBINSON
Administrator
26 Whangpoo Road,
Shanghai.

Shanghai, China.
August 22, 1932.

東吳法律學院

The Comparative Law School of China

(Soochow University, School of Law)

ADMISSION: (1) College student with about forty credits, (2) College graduate, (3) Graudate of Arts and of Law with A. B. and LL. B. degrees.

GRADUATION: (1) Upon 4 years of law study, (2) upon 3 years of law study, (3) upon 2 years of law study.

DEGREE: LL. B. for students classified in (1) and (2), LL. M. or J. D. for students classified in (3).

COURSES: Chinese Laws, Roman laws, Anglo-American laws, Modern Continental laws (including German, French, Japanese, and Soviet Russian laws) Public and Private International laws.

INSTRUCTION: Given in Chinese and English languages. All session for required courses start from 5:10 p.m. to 8:00 p.m.

For announcement and further information address the Dean of the School—103 Ssymour Road, Shanghai.

"The Peiping Chronicle"

Peiping's English Language Daily

"THE PEIPING CHRONICLE" presents news impartially and promptly, interprets current events in a sane and liberal spirit, and editorially supports progressive and constructive policies.

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2 Mei Cha Hutung
Peiping, China

Cable Address
"Chronicle"

NOTICE

To Subscribers

(*Residing Overseas*)

Dating from August 1, 1932 the subscription rate for persons residing outside of China has been reduced from G.$10 a year to G.$8 a year, including postage.

The new rate applies to subscribers residing in the United States, Canada, Europe and Russia.

The new rate, estimated in the currency of the Federated Malay States is equivalent to s. s. $15. In India. Australia and other places using English currency the rate is equivalent to £2:8:0.

The China Weekly Review

38 Avenue Edward VII
Shanghai.

Public Sale of Opium in Kiangsu Province?

The *China Press* of August 31 said a veritable bombshell was hurled among members of the National Anti-Opium Conference, in session to Shanghai, when information was received that the public sale of opium was about to be proclaimed in Kiangsu Province. A telegram which verged close upon an ultimatum was immediately despatched to General Koo Tsu-tung, chairman of the Kiangsu Provincial Government, stating briefly that the delegates to the conference were greatly surprised to learn that the public sale of the drug should be allowed in the province where they are meeting and asks the general to adhere to the teachings of Dr. Sun Yat-sen, adding that one who sells opium is a traitor to the nation. It concludes by asking the truth of the information and demanding an immediate reply.

American University Graduate Alleged to Be "Gang" Leader

Euyang Hung-chun, aged 30, native of Kwangtung, who was described as a former secretary of the Bureau of Public Safety of the City Government of Greater Shanghai, was arraigned before Judge Shen August 30 in the First District Court charged with unarmed robbery. A barber employed at the Excelsior Hair Dressing Parlor, corner of Bubbling Well and Tibet Roads, is alleged to be an accomplice. Euyang is a graduate of the University of Illinois and comes from a wealthy family.

According to Assistant Municipal Advocate T. Y. Chang, prosecuting, the two accused went to the home of Mrs. Zia Chen-sz at 478 Tehshingli alley, and represented themselves as public officers planning to conduct a raid for opium. When Mrs. Zia failed to pay a bribe, Mr. Chang continued, accused is said to have robbed the woman of two gold rings and an ivory cigarette case valued at $80. Euyang is alleged to be a "gang" leader.

RHEUMATIC MISERY.

Only those who have suffered or are suffering from the aches and pains of rheumatism can fully realize the way in which this ailment makes life a perfect misery.

Life is scarcely worth living for even slight sufferers but in severe cases every day and night is one long continuous agony.

The only successful treatment for rheumatic afflictions is one that goes to the root of the trouble and drives out the poisons from the bloodstream. External applications may sometimes bring relief but that is only temporary.

The blood of the rheumatic person is impoverished and poison-laden. Purification and enrichment of the blood is the first step towards cure, and there is no suret way of accomplishing this than a course or Dr. Williams' Pink Pills, the reliable blood and nerve tonic.

Dr. William's Pink Pills have proved remarkably successful in countless cases of rheumatism, sciatica and similar ailments. By creating new supplies of rich pure blood to replace the thin poison-laden fluid they attack the disease at its source.

Mrs. T. Dunlop, 544 Whittier Avenue, Syracuse, U.S.A. recently wrote: "No one will over know how I suffered with sciatic rheumatism. Sharp pains that came without warning down my thigh were agonising. My hands were swollen and I was often confined to bed. But one month's treatment with Dr. Williams' Pink Pills I do not believe I should have ever got better."

All chemists can supply you with Dr. Williams' Pink Pills.

Soviet Gasoline on Sale in Shanghai— Price War Threatened

Soviet gasoline and kerosine are now on sale in the Shanghai market and a price war is threatened. The Soviet products are being marketed through an arrangement with the Kwang Wha Oil Company, after negotiations which began more than a year ago. During the last few weeks more than a million and a half gallons of gasoline have been discharged at the Kwang Wha installation on the river shore opposite Shanghai. The Soviet gasoline is available at pumps and also at wholesale. Meanwhile in view of the fact that the Soviets are barred from China politically, it would be interesting to note whether steps will be taken by the Chinese authorities to stop this alliance between a Chinese corporation and the "Soyuzneft," the abbreviated name of the Soviet oil trust. Several weeks ago in North China a Chinese merchant was arrested for making a contract with the Soviet trading organizations on the ground that such action was illegal.

Japanese to Import Russian Oil in Huge Quantities

The former president of the Kawasaki Dockyard, Kojiro Matsukata, departed from Japan end of last week en route to Moscow for the purpose of concluding negotiations for the establishment of a Russo-Japanese oil company. According to the *Japan Advertiser*, the Soviet authorities are giving Mr. Matsukata a special train from Vladivostok to Moscow and he will be the guest of the Russian Government during his sojourn. It is understood that Kiyoshi Hori, an authority on oil, and Junkichi Kato, a businessman intimately connected with Russo-Japanese trade, have been working for two years on the plan to form a Russo-Japanese company for the importation of oil into Japan. Last year imports of petroleum exceeded Yen 100,000,000. Mr. Matsukata is said to have been interested in the project by these two men and negotiations have been in progress for some time. The idea apparently is to have Baku oil shipped to Japan and, according to the *Nichi Nichi*, the trip to Moscow is simply for the purpose of settling final details of a deal and signing the contract. Mr. Matsukata is not due to return to Japan until October, when the Russo-Japanese petroleum company is expected to be established.

Third Plenary Session of C. E. C. Is Postponed

A Nanking message states that owing to various practical difficulties, the third plenary session of the Central Executive Committee, which, according to a previous announcement, was to have been convened during September, will probably not be called until the end of the year, when it is expected, the bandit-suppression campaign will have been brought to a successful conclusion.

Latest New York Stock Exchange Quotations

Market:—Easy Business Done 3,300,000 Shares

Aug. 31, 1932

1931-1932 High	1931-1932 Low	Div.$ per Sh.	STOCKS	Mon. Aug. 29	Tues. Aug. 30
7⅛	1⅝	—	Adams Express	6⅞	6⅝
87½	42½	*6.00	Allied Chemical & Dye	83½	82
13⅝	4	—	Allis Chalmers	13¼	12¾
73⅞	29⅝	*4.00	American Can	58⅛	55½
14⅜	2	—	Amer. & Foreign Power	14⅜	13½
9⅝	1⅛	—	Amer. & For. Power W.	9⅝	9¼
22¾	5¼	—	American Smelting	22¾	23
137⅜	70¼	9.00	American Tel. & Tel.	116⅜	113¾
86¾	44	*5.00	American Tobacco "B"	80¼	80¼
34⅛	11	2.00	American Waterworks	30¼	29⅝
14½	3	—	Anaconda Copper	14½	14
151¾	28¾	*4.00	Auburn Automobiles	67¼	63⅝
21⅜	3¾	—	Baltimore & Ohio	16	15⅝
24⅜	7¼	—	Bethlehem Steel	22	21⅜
43⅛	20	*2.00	Borden Company	32	31½
12⅝	3⅜	—	Borg Warner	9½	10⅜
20⅝	7¼	—	Canadian Pacific Railway	16⅝	17
61⅝	16¾	—	Case, J. I.	60¾	57⅝
42¼	19	2.00	Chase Bank	42¼	40¾
20⅝	4⅞	2.00	Chesapeake Corp.	18⅛	18¼
16	5	1.00	Chrysler	16	16¼
6⅞	1¼	—	Cities Service Co.	5⅜	5¼
19	4¼	1.00	Columbia Gas & Electric	19	18¼
5	1⅝	.30	Commonwealth & Southern	5	5
15/16	1/16	—	,, ,, warr.	⅞	⅞
68¾	31½	4.00	Consolidated Gas. of N.Y.	62⅛	61
8½	3⅝	—	Continental Oil	8½	8⅝
49	24¾	*3.00	Corn Products	47⅛	37⅜
2¾	⅞	—	Curtiss Wright Co.	2¼	2
57	23	4.00	Drug Incorporated	47½	46¼
59¾	22⅛	2.00	Du Pont de Nemours	40⅜	39⅜
87⅞	35¼	3.00	Eastman Kodak	58	57⅛
44⅝	5	6% S	Electric Bond & Share	43⅞	40
15⅜	2¾	—	Electric Power & Light	15⅜	14½
5⅜	1	—	Fox Film "A"	5⅝	5⅝
26⅛	8½	.40	General Electric	21⅞	20¾
40½	19⅝	2.00	General Foods	31	30⅝
24⅝	7⅝	1.00	General Motors	16⅛	15½
28⅝	6⅛	1.00	General Railway Signal	20¾	20
24¼	10⅜	1.00	Gillette Safety Razor	20	19¾
19⅝	8¼	1.60	Gold Dust	19⅜	18½
10	2¼	—	Goodrich Rubber	10	11⅜
23	5½	—	Goodyear Tire & Rubber	23	27⅜
18¾	3⅝	—	International Cement	13⅛	12⅝
1⅞	½	—	International Combu. Eng.	1½	1⅜
32⅜	10⅜	1.80	International Harvester	31⅜	30⅛
10½	3½	—	International Nickel	10⅜	10½
12¾	2⅜	—	International Tel. & Tel.	12⅝	12¼
28	10	—	Johns Manville	27	25¾
16	4⅞	—	Kennecott	16	16⅝
9⅛	1/32	—	Kreuger & Toll	⅝	½
61¾	32⅛	*4.00	Liggett & Myers, "B"	59⅞	61¼
36	13¼	*3.00	Loew's: Inc.	34⅝	34⅛
17¼	9	1.20	Lorillard P. Co. (com.)	16⅞	16½
8¾	1½	—	Ludlum Steel	8¾	8¾
13⅛	3½	—	Montgomery Ward	13⅛	12½
54¼	23¾	2.00	National City Bk. bid price	53¾	53
8	2½	—	Nevada Copper	8	8½
36⅝	8¾	—	New York Central	26¾	28
40	13¾	10%S	North American Co.	39¾	39
37	16⅞	2.00	Pacific Gas & Electric	32⅝	32½
5¼	1½	—	Packard Motors	4	4⅛
11½	1½	—	Paramount—Publix. Corp.	7½	7¼
23⅜	6½	—	Pennsylvania Railroad	18⅜	18⅞
3¾	1	—	Pennroad Corporation	3⅜	3¼
7¾	2	—	Phillips Petroleum	7¼	7⅜
60	28	3.20	Public Service of N. Jersey	52⅝	51¼
10⅝	2½	—	Radio Corporation	10	9⅞
7	1½	—	Radio-Keith Orpheum	6⅛	5¾
45⅝	26½	3.00	Reynolds Tobacco "B"	37¼	37¼
37⅜	9⅞	—	Sears Roebuck	24¾	24
7	2½	—	Shell Union	7	6⅞
12⅝	3	—	Simmons Company	11¾	11½
11¾	5¼	.80	Socony-Vacuum Corp.	11⅝	11¾
32¾	15¾	2.00	SouthernCaliforniaEdison.	30	28¼
34¼	7⅝	2.00	Standard Gas & Electric.	24¾	24½
35¾	19⅞	*1.00	Standard Oil of N. Jersey	35⅛	35
16⅞	9¼	1.00	Texas Corporation	16½	16⅝
26¾	12	2.00	Texas Gulf Sulphur	23¾	23½
6⅞	2⅛	—	Trans America	6½	6½
36⅜	15½	1.20	Union Carbide & Carbon	27¼	27
94½	27⅝	6.00	Union Pacific Railway	79	78½
19½	6½	—	United Aircraft & Trans.	19	19⅜
12¾	3½	.40	United Corporation	12¾	12
21¾	9¼	1.20	United Gas Improvement.	21⅛	20⅝
8⅜	1¼	—	U.S. Rubber	8⅜	9¾
52⅝	21¼	—	U.S. Steel	48⅛	47
19¼	5¼	—	Vanadium	18¾	18½
4⅜	½	—	Warner Bros. Pictures	3¾	3½
39⅞	15⅞	—	Westinghouse E. & M.	40⅛	38⅞
45⅝	22	2.40	Woolworth	39⅝	39
*Plus extras			Call Money	2%	2%

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NOTICE

Notice is hereby given that the Steel Single Screw S. S. "Ballshead" will be sold by Public Auction at the Custom House on Friday, September 16th, at 2.30 p.m.

The description of the vessel according to Lloyds Register is as follows:—

Built in 1911 by G. Seeback Akt. Ges. Wesermund.

Length 250.1.

Breadth 38.1.

Depth 17.9.

Gross Tonnage 1658.

Under Deck Tonnage 1391.

Net Tonnage 835.

Classed 100 A1 at Lloyds April 1929.

Triple Expansion Engines of N. H. P. 170.

Two Scotch Boilers working at 200 lbs. per sq. in.

The purchaser will be required to deposit Tls. 15,000 on acceptance of the bid, and the remainder of the purchase money before delivery of the vessel.

The vessel is now lying at Buoys 26-27 in the 11th Section of the Harbour, and permission to view may be obtained on application to the Harbour Master.

F. D. GODDARD
Commissioner of Customs,
Officiating.

CUSTOM HOUSE,
Shanghai, 26th August, 1932.

CUSTOMS NOTIFICATION.

The public is hereby notified that in accordance with Government instructions the following clause has been added to Rule 1, § 2, of the Import Tariff Provisional Rules, after the sentence "Freight, insurance, and all other charges must be shown":—

"A certified copy of every invoice must be supplied for retention by the Customs."

This additional ruling will be enforced as from the 1st December, 1932.

H. O. Tong,
Superintendent of Customs.

F. D. Goddard,
Commissioner of Customs,
Officiating.

CUSTOM HOUSE,
Shanghai, 25th August, 1932.

A.B.C. PRESS, SHANGHAI
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in all its Branches
Your work should bear our imprint

The National City Co. Gold Bond Quotations Received From Head Office

Aug. 25, 1932,

SECURITY	RATE & DATE DUE	Price	Approx Yield %
The National City Bank of New York	Stock	49¼	—
Argentine Government	6 % May 1, 1960	45¼	—
U. S. of Brazil	6½% Oct. 15, 1957	18	—
Republic of Finland	6½% Sep. 1, 1956	64	—
German Central Bank for Agriculture	6 % Oct. 15, 1960	43	—
Kingdom of Italy	7 % Dec. 1, 1951	90¾	7.93
State of Minas Geraes Series "A"	6½% Sep. 1, 1959	11½	—
State of Sao Paulo (Brazil)	7 % Oct. 1, 1940	45⅞	—
American I.G. Chemical Corporation	5½% May 1, 1949	79½	7.68
Rhine Westphalia Electric Power Corp.	6 % Apr. 1, 1955	42⅜	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 %	1925	60½	—
Chinese Govt. Re-org. (£) Loan Stamped	5 %	1913/60	65	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 %	1913/60	63	—
Chinese Government (Crisp Loan)	5 %	1912	42	—
Shanghai-NankingRailway	5 %	1904/08	32	—
Shanghai - Hangchow-Ningpo Railway	5 %	1908/58	61	—
Hukuang Railway	5 %	1911/1951	20	—
Tientsin-PukowRailway	5 %	1908/09	25	—

NOTE: The above quotations are received by cable and whilst believed to be correct are not guaranteed.

The National City Bank of New York, Rates of Exchange

Shanghai, Aug. 30, 1932

Demand selling rate on America: U.S. $1.00=Sh. $4.6579
Demand buying rate on America: U.S. $1.00=Sh. $4.5580
Demand selling rate on London: £1.0.0=Sh. $16.155
Demand buying rate on London: £1.0.0=Sh. $15.787

Admiral Nomura Going to America to Explain Manchuria

A message from Tokyo, August 28, stated that "for the special purpose of removing any misapprehensions now existing in America with regard to the Japanese military operations in Manchuria," the Japanese Government will dispatch Vice-Admiral Nomura, member of the Supreme Military Council and former Commander-in-Chief of the 3rd Oversea Fleet, to the United States of America on a good will mission. Admiral Nomura is expected to leave for America in the middle part of this month. During the bombing incident at the Hongkew Park in Shanghai on April 29 Admiral Nomura lost an eye, which has been replaced by an artificial one.

COMMERCIAL EXPRESS & STORAGE CO.
TRANSPORTATION
8B YUEN MING YUEN ROAD SHANGHAI TEL. 16931-2-3
62-040